

**Attachment 3**  
**Network Interconnection**

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## Network Interconnection

The Parties shall provide interconnection with each other's networks for the transmission and routing of telephone exchange service (local) and exchange access (intraLATA toll and switched access) on the following terms:

### 1. Network Interconnection

All negotiated rates, terms and conditions set forth in this Attachment pertain to the provision of network interconnection.

- 1.1 Interconnection is available to both Parties through: (1) delivery of a Party's facilities to a collocation arrangement or Fiber Meet arrangement as defined in this Agreement; or (2) interconnection via purchase of facilities from the other Party or third parties. Interconnection may be provided by the Parties at any technically feasible point. Requests to BellSouth for interconnection at points not specified herein may be made through the Bona Fide Request/New Business Request process set out in General Terms and Conditions.
- 1.2 Adelphia must establish, at a minimum, a single Point of Presence, Interface, and Interconnection with BellSouth within the LATA for the delivery of Adelphia's originated local, ISP-bound, intraLATA toll and transit traffic and for Adelphia's receipt of transit traffic. If Adelphia chooses to interconnect at a single Point of Interconnection within a LATA, the interconnection must be at a BellSouth Access Tandem. Furthermore, Adelphia must establish Points of Interconnection at all BellSouth access and local tandems where Adelphia NXXs are "homed." A "Homing" arrangement is defined by a "Final" Trunk Group between the BellSouth Tandem and Adelphia Switch. A "Final" Trunk Group is the last choice telecommunications path between the Tandem and End Office switch. It is Adelphia's responsibility to enter its own NPA/NXX access and/or local tandem "homing" arrangements into the national Local Exchange Routing Guide (LERG) either directly or via a vendor.
  - 1.2.1 In order for Adelphia to home its NPA/NXX(s) on a BellSouth Tandem, Adelphia's NPA/NXX(s) must be assigned to an Exchange Rate Center Area served by that BellSouth Tandem and as specified by BellSouth. The specified association between BellSouth Tandems and Exchange Rate Center Areas is defined in the Local Exchange Routing Guide (LERG) as it is revised from time to time.
- 1.3 A **Point of Presence (POP)** is the physical location (a structure where the environmental, power, air conditioning, etc. specifications for a Party's terminating equipment can be met) at which a Party establishes itself for obtaining access to the other Party's network. The POP is the physical location within which the Point of Interfaces occur.

- 1.4      A **Point of Interface** is the physical telecommunications interface between BellSouth and Adelphia's interconnection functions. It establishes the technical interface and point of operational responsibility. The primary function of the Point of Interface is to serve as the terminus for the interconnection service. The Point of Interface has the following main characteristics:
1.      It is a cross-connect point to allow connection, disconnection, transfer or restoration of service.
  2.      It is a point where BellSouth and Adelphia can verify and maintain specific performance objectives.
  3.      It is specified according to the interface offered in the local interconnection agreement.
  4.      The Parties provide their own equipment (CPE) to interface with the DS0, DS1, DS3, STS1 and/or OCn circuits on the customer premises.
- 1.5      The **Point of Interconnection** is the point at which the originating Party delivers its originated traffic to the terminating Party's first point of switching on the terminating Party's common (shared) network for call transport and termination. Points of Interconnection are available at either Access Tandems, Local Tandems, or End Offices as described in this Agreement. Adelphia's requested Point of Interconnection will also be used for the receipt and delivery of transit traffic at BellSouth Access and Local Tandems. Points of Interconnection established at the BellSouth Local Tandem apply only to Adelphia-originated local, ISP-bound, and local originating and terminating transit traffic.
- 1.6      A minimum of one Point of Interface shall be established in each LATA in which Adelphia originates, terminates, or exchanges local traffic or ISP-bound traffic and interconnects with BellSouth. The location of the initial Point of Interface shall be established by mutual agreement of the Parties. In selecting the initial Point of Interface, both Parties will act in good faith and select the point which is most efficient for both Parties. Each Party shall be responsible for engineering and maintaining the network on its side of the Point of Interface. Establishment of an initial Point of Interface will be initiated by written request and will be based on traffic volumes and patterns, facilities available, and other factors unique to the area. If the Parties are not able to reach mutual agreement on an initial Point of Interface within 30 calendar days of the date of the written request, the dispute will be escalated to the next level of management. The next level of management will meet as often as necessary to resolve the dispute. If, 30 calendar days after the dispute has been escalated, the Parties are still unable to agree to an initial mutual Point of Interface, each Party will designate the initial Point of Interface for its originated traffic.

1.6.1 Additional Points of Interface in a particular LATA may be established by mutual agreement of the Parties. Absent mutual agreement, in order to establish additional Points of Interface in a LATA, the traffic between Adelphia and BellSouth at the proposed additional Point of Interface must exceed 8.9 million minutes of local or ISP-bound traffic per month for three consecutive months during the busy hour. Additionally, any end office to be designated as a Point of Interface must be more than 20 miles from an existing Point of Interface. BellSouth will not designate a Point of Interface at a Central Office where physical or virtual collocation space or BellSouth fiber connectivity is not available.

Upon written notification from the Party requesting the establishment of an additional Point of Interface, the receiving Party has 45 calendar days to analyze, respond to, and negotiate in good faith the establishment of and location of such Point of Interface. If the receiving Party disagrees that the traffic and mileage thresholds set forth herein have been met, then such Party may utilize the dispute resolution procedures set forth in Section 12 of the General Terms and Conditions of this Agreement.

1.6.2 Unless mutually agreed to, or unless the dispute resolution procedures set forth in 1.6.1 above are invoked, a Point of Interface will be operational within nine months of the written request as described in 1.6 or 1.6.1. If more than two requests for Points of Interface are received within a three month time frame for one LATA, the nine month interval will apply to the first two requests. For a third and fourth request in a given three month period for one LATA, such third and fourth Points of Interface will be operational within twelve months of the written request as described in 1.6 or 1.6.1. For a fifth or sixth request in a given three month period for one LATA, such fifth and sixth Points of Interface will be operational within eighteen months of the written request as described in 1.6 or 1.6.1. To the extent either Party requests more than six Points of Interface within a three month time frame for one LATA, the Parties will mutually agree to the interval that will apply to the seventh and subsequent requests. To the extent any additional point of Interface is established, each Party will work cooperatively to transition to such additional Point of Interface without unnecessarily disrupting service to either Party.

1.7 The Parties shall make available to each other one-way and two-way trunks for the reciprocal exchange of combined local, ISP-bound and intraLATA toll traffic. Effective nine months after the date of last signature of this agreement, the Parties shall institute a bill and keep compensation plan under which neither Party will charge the other Party recurring and nonrecurring charges associated with trunks and associated facilities for the exchange of traffic other than Transit Traffic. From the effective date of this agreement until the bill and keep arrangement for

trunks and facilities described above is enacted, both Parties shall charge each other the trunk installation charges and facility charges set forth in Exhibit A to this Attachment. Each Party has the obligation to install the appropriate trunks and associated facilities on its respective side of the Point of Interface.

Notwithstanding the foregoing, reciprocal compensation will be paid for the delivery of local and ISP-bound traffic in accordance with the terms of Section 6.1. Nothing in this Section 1.7 shall be deemed to eliminate or affect any lease-back arrangement where a Party, at its option and in lieu of installing facilities or trunks on its side of the Point of Interface, chooses to lease such facilities or trunks from the other Party for its originating traffic.

- 1.8 Both Parties, as appropriate, shall be compensated for the ordering of trunks and facilities for the exchange of Transit Traffic. The Parties agree that charges for such trunks and facilities are as set forth in Exhibit A to this Attachment.
- 1.9 Fiber Meet
  - 1.9.1 **Fiber Meet** is an interconnection arrangement whereby the Parties physically interconnect their networks via an optical fiber interface (as opposed to an electrical interface) at which one Party's facilities, provisioning, and maintenance responsibility begins and the other Party's responsibility ends (i.e. Point of Interface).
  - 1.9.2 If Adelphia elects to interconnect with BellSouth pursuant to a Fiber Meet, Adelphia and BellSouth shall jointly engineer and operate a Synchronous Optical Network ("SONET") transmission system by which they shall interconnect their transmission and routing of local traffic via a Local Channel facility at either the DS0, DS1, or DS3 level. The Parties shall work jointly to determine the specific transmission system. However, Adelphia's SONET transmission must be compatible with BellSouth's equipment in the BellSouth Interconnection Wire Center. The same vendor's equipment and software version must be used, and the Data Communications Channel (DCC) must be turned off.
  - 1.9.3 BellSouth shall, wholly at its own expense, procure, install and maintain the agreed upon SONET equipment in the BellSouth Interconnection Wire Center ("BIWC").
  - 1.9.4 Adelphia shall, wholly at its own expense, procure, install and maintain the agreed upon SONET equipment in the Adelphia Interconnection Wire Center ("Adelphia Wire Center").
  - 1.9.5 BellSouth and Adelphia shall jointly designate a Point of Interface outside the BIWC as a Fiber Meet point, and shall make all necessary preparations to receive, and to allow and enable Adelphia to deliver, fiber optic facilities into the Point of Interface with sufficient spare length to reach the fusion splice point at the Point

of Interface. BellSouth shall, wholly at its own expense, procure, install, and maintain the fusion splicing point in the Point of Interface. A Common Language Location Identification ("CLLI") code will be established for each Point of Interface. The code established must be a building type code. All orders shall originate from the Point of Interface (i.e., Point of Interface to Adelphia, Point of Interface to BellSouth).

- 1.9.6 Adelphia shall deliver and maintain such fiber optic facilities wholly at its own expense. Upon verbal request by Adelphia, BellSouth shall allow Adelphia access to the Fiber Meet entry point for maintenance purposes as promptly as possible.
- 1.9.7 The Parties shall jointly coordinate and undertake maintenance of the SONET transmission system. Each Party shall be responsible for maintaining the components of their own SONET transmission system.
- 1.9.8 Each Party will be responsible for (i) providing its own transport facilities to the Fiber Meet, and (ii) the cost to build-out its facilities to such Fiber Meet.
- 1.9.9 Neither Party shall charge the other for its portion of the Fiber Meet facility used exclusively for non-transit local traffic (i.e. the Local Channel). Charges incurred for other services including dedicated transport facilities to the Point of Interconnection if applicable will apply. Charges for Switched and Special Access Services shall be billed in accordance with the applicable Access Service tariff (i.e. each Party's FCC or Commission filed and effective Interstate or Intrastate Access Services Tariff).

## **2. Interconnection Trunking Architectures**

- 2.1 BellSouth and Adelphia shall establish interconnecting trunk groups and trunking configurations between networks including the establishment of one-way or two-way trunks in accordance with the following provisions set forth in this Agreement.
- 2.2 Any Adelphia interconnection request that (1) deviates from the standard trunking architectures as described in this Agreement, (2) affects traffic delivered to Adelphia from a BellSouth switch, and (3) requires special BellSouth switch translations and other network modifications will require Adelphia to submit a Bona Fide Request/New Business Request via the Bona Fide Request/New Business Request Process set forth in General Terms and Conditions.
- 2.3 Pursuant to Section 1.7 of this Attachment and until bill and keep on trunks and facilities is enacted:

(1) All terms and conditions, as well as charges, both non-recurring and recurring, associated with interconnecting trunk groups and facilities between BellSouth and Adelphia are

set forth in Exhibit A. In the event there is not an applicable rate element in Exhibit A, the Parties shall be compensated at the provisioning Party's tariff rate for such element on an interim basis subject to true-up as set forth in Section 6.6.

(2) For two-way trunking that carries the Parties' local and intraLATA toll traffic only, excluding trunking that carries Transit Traffic, the Parties shall be compensated for the nonrecurring and recurring charges for trunks and DS1 facilities at 50% of the applicable rates as set forth in Exhibit A to this Attachment 3 for the services provided by each Party.

(3) Adelphia shall be responsible for ordering and paying for any two-way trunking for its local, ISP-bound and intraLATA toll traffic if it utilizes such trunks unidirectionally

2.3.1 Throughout the term of this Agreement, Adelphia shall be responsible for ordering and paying for any two-way trunks carrying transit traffic.

2.4 Switched Access traffic will be delivered to and by IXC's based on Adelphia's NXX Access Tandem homing arrangement as specified by Adelphia in the national Local Exchange Routing Guide (LERG).

2.5 All trunk groups will be provisioned as Signaling System 7 (SS7) capable where technically feasible. If SS7 is not technically feasible multi-frequency (MF) protocol signaling shall be used.

2.6 In cases where Adelphia is also an IXC, the IXC's Feature Group D (FG D) trunking must remain separate from the local interconnection trunking.

2.7 Two-Way Trunking Requirements:

The following requirements apply to two-way trunking that carries the Parties local and intraLATA toll.

1. Adelphia will initiate two-way trunk request. The use of and quantity of two way trunking shall be mutually agreed upon and shall be jointly provisioned.
2. The Point of Interface will be located at a mutually agreed location or point. If the Parties cannot mutually agree to a Point of Interface, BellSouth shall designate the Point of Interface. If Adelphia disagrees with BellSouth's designation, Adelphia may elect to have each Party establish its own Point of Interface in accordance with Section 1.6 and 1.6.1 and order one-way trunks.
3. BellSouth and Adelphia will jointly review the trunk forecast, as needed, on a periodic basis, or at least every six (6) months.



4. Adelphia will order trunks using access service request (ASR) process in place for Local Interconnection at any time for augments to existing trunk groups and for new trunk groups, after the joint planning meeting takes place between the Parties.
5. BellSouth and Adelphia must agree on traffic engineering parameters that will be used in the engineering of the trunk groups.
6. BellSouth and Adelphia must agree to meet and resolve service-affecting situations in a timely manner. This contact will normally be made through the Account Team.
7. Establishing a two-way trunk group does not preclude BellSouth or Adelphia from adding one-way trunk groups within the same Local Calling Area.
8. For technical reasons, two-way trunk groups may not be ordered to a BellSouth DMS100 Local Tandem or DMS100 End Office.
9. BellSouth will be responsible for the installation and maintenance of its trunks and facilities to the mutually agreed Point of Interface, and Adelphia will be responsible for the installation and maintenance of its trunks and facilities to the mutually agreed to Point of Interface.

## 2.8 BellSouth Access Tandem Interconnection Architectures

2.8.1 BellSouth Access Tandem Interconnection provides intratandem access to subtending end offices. BellSouth Multiple Tandem Access (MTA), described later in this Agreement, may be ordered using any of the following access tandem architectures.

### 2.8.2 Basic Architecture

2.8.2.1 In this architecture, Adelphia's originating Local and IntraLATA Toll and originating and terminating Transit Traffic is transported on a single two-way trunk group between Adelphia and BellSouth access tandem(s) within a LATA. This group carries intratandem Transit Traffic between Adelphia and Independent Companies, Interexchange Carriers, other CLECs and other network providers with which Adelphia desires interconnection and has the proper contractual arrangements, where required. This group also carries Adelphia originated intertandem traffic transiting a single BellSouth access tandem destined to third party tandems such as an Independent Company tandem or other CLEC tandem. BellSouth originated Local and IntraLATA Toll traffic is transported on a single one-way trunk group terminating to the Point of Interface for BellSouth originated traffic. The Two-way Trunking Requirements described in this Attachment do not apply to this architecture. Other trunk groups for operator services, directory assistance, emergency services and intercept may be established if required. The

LERG should be referenced for current routing and tandem serving arrangements. The Basic Architecture is illustrated in Exhibit B.

### 2.8.3 One-Way Trunking Architecture

2.8.3.1 In this architecture, the Parties interconnect using two one-way trunk groups. One one-way trunk group carries Adelphia-originated local and intraLATA toll traffic destined for BellSouth end-users. The other one-way trunk group carries BellSouth-originated local and intraLATA toll traffic destined for Adelphia end-users. A third two-way trunk group is established for Adelphia's originating and terminating Transit Traffic. This two-way trunk group carries intratandem Transit Traffic between Adelphia and Independent Companies, Interexchange Carriers, other CLECs and other network providers with which Adelphia desires interconnection and has the proper contractual arrangements, where required. This group also carries Adelphia originated intertandem traffic transiting a single BellSouth access tandem destined to third party tandems such as an Independent Company tandem or other CLEC tandem. Other trunk groups for operator services, directory assistance, emergency services and intercept may be established if required. The LERG should be referenced for current routing and tandem serving arrangements. The One-Way Trunking Architecture is illustrated in Exhibit C.

### 2.8.4 Two-Way Trunking Architecture

2.8.4.1 The Two-Way Trunking Architecture establishes one two-way trunk group to carry local and intraLATA toll traffic between Adelphia and BellSouth. To establish this architecture, Adelphia and BellSouth must meet the Two-way Trunking Requirements described in this Attachment. In addition, a two-way transit trunk group must be established for Adelphia's originating and terminating Transit Traffic. This group carries intratandem Transit Traffic between Adelphia and Independent Companies, Interexchange Carriers, other CLECs and other network providers with which Adelphia desires interconnection and has the proper contractual arrangements, where required. This group also carries Adelphia originated intertandem traffic transiting a single BellSouth access tandem destined to third party tandems such as an Independent Company tandem or other CLEC tandem. Other trunk groups for operator services, directory assistance, emergency services and intercept may be established if required. The LERG should be referenced for current routing and tandem serving arrangements. The Two-Way Trunking Architecture is illustrated in Exhibit D.

### 2.8.5 Supergroup Architecture

2.8.5.1 In the Supergroup Architecture, the Parties Local and IntraLATA Toll and Adelphia's Transit Traffic is exchanged on a single two-way trunk group between Adelphia and BellSouth. To establish this architecture, Adelphia and BellSouth

must meet the Two-way Trunking Requirements described in this Attachment. This group carries intratandem Transit Traffic between Adelphia and Independent Companies, Interexchange Carriers, other CLECs and other network providers with which Adelphia desires interconnection and has the proper contractual arrangements, where required. This group also carries Adelphia originated intertandem traffic transiting a single BellSouth access tandem destined to third party tandems such as an Independent Company tandem or other CLEC tandem. Other trunk groups for operator services, directory assistance, emergency services and intercept may be established if required. The LERG should be referenced for current routing and tandem serving arrangements. The Supergroup Architecture is illustrated in Exhibit E.

2.9 BellSouth Multiple Tandem Access (MTA)

2.9.1 BellSouth **Multiple Tandem Access (MTA)** provides for LATA wide BellSouth transport and termination of Adelphia-originated local, ISP-bound, and intraLATA toll traffic, that is transported by BellSouth, by establishing a Point of Interconnection at a BellSouth access tandem with routing through multiple BellSouth access tandems as required. However, Adelphia must still establish Points of Interconnection at all BellSouth access tandems where Adelphia NXXs are “homed”. If Adelphia does not have NXXs homed at a BellSouth access tandem within a LATA and elects not to establish Points of Interconnection at such BellSouth access tandem, Adelphia can order MTA in each BellSouth access tandem within the LATA where it does have a Point of Interconnection and BellSouth will terminate traffic to end-users served through those BellSouth access tandems where Adelphia does not have a Point of Interconnection. MTA shall be provisioned in accordance with BellSouth’s Ordering Guidelines.

2.9.2 MTA does not include switched access traffic that transits the BellSouth network to an Interexchange Carrier (IXC). Switched Access traffic will be delivered to and by IXCs based on Adelphia’s NXX Access Tandem homing arrangement as specified by Adelphia in the national Local Exchange Routing Guide (LERG).

2.9.3 For Adelphia-originated local, ISP-bound and intraLATA toll traffic that BellSouth transports but is destined for termination by a third Party network (transit traffic), BellSouth MTA is required if multiple BellSouth access tandems are necessary to deliver the call to the third Party network.

2.9.4 With MTA, for the delivery of Adelphia-originated local, ISP-bound, and intraLATA toll traffic, Adelphia will be assessed charges as specified in the pricing exhibit to this Agreement for the additional transport and tandem switching on an elemental basis in addition to the reciprocal compensation rate to which the parties have agreed in Section 6.1.2. Notwithstanding the foregoing, in the situation of tandem exhaust at any particular tandem, where the parties choose

MTA as an alternative routing plan, the Parties will negotiate appropriate rates, terms and conditions for MTA.

- 2.9.5 To the extent Adelphia does not purchase MTA in a calling area that has multiple access tandems serving the calling area as defined by BellSouth, Adelphia must establish Points of Interconnection to every access tandem in the calling area in order to serve the entire calling area. To the extent Adelphia does not purchase MTA and provides intraLATA toll service to its customers, it may be necessary for it to establish a Point of Interconnection to additional BellSouth access tandems that serve end offices outside the local calling area. To the extent Adelphia routes its traffic in such a way that utilizes BellSouth's MTA service without properly ordering MTA service, Adelphia agrees to pay BellSouth the associated transport and termination charges.
- 2.9.6 Nothing in this Section 2.9 affects the obligation of BellSouth to deliver BellSouth-originated local, ISP-bound, and intraLATA toll traffic to the Point(s) of Interconnection established pursuant to Section 1.5.
- 2.10 BellSouth End Office Interconnection
- 2.10.1 Adelphia may establish Points of Interconnection at BellSouth end offices for the delivery of Adelphia originated local, ISP-bound and intraLATA toll traffic destined for BellSouth end-users served by that end-office.
- 2.10.2 When end office trunking is ordered by BellSouth to deliver BellSouth originated traffic to Adelphia, BellSouth will provide overflow routing through BellSouth tandems consistent with how BellSouth overflows its traffic. The overflow will be based on the homing arrangements Adelphia displays in the LERG. Likewise, if Adelphia interconnects to a BellSouth end office for delivery of Adelphia originated traffic, Adelphia will overflow the traffic through the BellSouth tandems based on the BellSouth homing arrangements shown in the LERG.
- 2.10.3 The Parties shall utilize direct end office trunking under the following conditions:
- (1) Tandem Exhaust - If a tandem through which the Parties are interconnected is unable to, or is forecasted to be unable to support additional traffic loads for any period of time, the Parties will mutually agree on an end office trunking plan that will alleviate the tandem capacity shortage and ensure completion of traffic between Adelphia and BellSouth's subscribers.
  - (2) Traffic Volume –To the extent either Party has the capability to measure the amount of traffic between a Adelphia switching center and a BellSouth end office, either Party shall install and retain direct end office trunking sufficient to handle actual or reasonably forecasted traffic volumes, whichever is greater, between a Adelphia switching center and a BellSouth end office where the

traffic exceeds or is forecasted to exceed two DS1s of local traffic per month. Either Party will install additional capacity between such points when overflow traffic between Adelphia's switching center and BellSouth's end office exceeds or is forecasted to exceed a single DS1 of local traffic per month. In the case of one way trunking, additional trunking shall only be required by the Party whose trunking has achieved the preceding usage threshold.

- (3) Mutual Agreement - The Parties may install direct end office trunking upon mutual agreement in the absence of conditions (1) or (2) above and agreement will not unreasonably be withheld.

2.11 Local Tandem Interconnection.

- 2.11.1 This interconnection arrangement allows Adelphia to establish a Point of Interconnection at BellSouth local tandems for: (1) the delivery of Adelphia-originated local and ISP-bound traffic transported and terminated by BellSouth to BellSouth end offices within the local calling area as defined in BellSouth's General Subscriber Services Tariff (GSST), section A3 served by those BellSouth local tandems, and (2) for local transit traffic transported by BellSouth for third party network providers who have also established Points of Interconnection at those BellSouth local tandems.
- 2.11.2 When a specified local calling area is served by more than one BellSouth local tandem, Adelphia must designate a "home" local tandem for each of its assigned NPA/NXXs and establish trunk connections to such local tandems. Additionally, Adelphia may choose to establish a Point of Interconnection at the BellSouth local tandems where it has no codes homing but is not required to do so. Adelphia may deliver local traffic to a "home" BellSouth local tandem that is destined for other BellSouth or third party network provider end offices subtending other BellSouth local tandems in the same local calling area where Adelphia does not choose to establish a Point of Interconnection. It is Adelphia's responsibility to enter its own NPA/NXX local tandem homing arrangements into the Local Exchange Routing Guide (LERG) either directly or via a vendor in order for other third party network providers to determine appropriate traffic routing to Adelphia's codes. Likewise, Adelphia shall obtain its routing information from the LERG.
- 2.11.3 Notwithstanding establishing Points of Interconnection to BellSouth's local tandems, Adelphia must also establish Points of Interconnection to BellSouth access tandems within the LATA on which Adelphia has NPA/NXXs homed for the delivery of Interexchange Carrier Switched Access (SWA) and toll traffic, and traffic to Type 2A CMRS connections located at the access tandems. BellSouth shall not switch SWA traffic through more than one BellSouth access tandem. SWA, Type 2A CMRS or toll traffic routed to the local tandem in error will not be backhauled to the BellSouth access tandem for completion. (Type 2A CMRS

interconnection is defined in BellSouth's A35 General Subscriber Services Tariff.)

- 2.11.4 BellSouth's provisioning of local tandem interconnection assumes that Adelphia has executed, where required, the necessary local interconnection agreements with the other third party network providers subtending those local tandems.

### **3. Network Design And Management For Interconnection**

- 3.1 Network Management and Changes. Both Parties will work cooperatively with each other to install and maintain the most effective and reliable interconnected telecommunications networks, including but not limited to, the exchange of toll-free maintenance contact numbers and escalation procedures. Both Parties agree to provide public notice of changes in the information necessary for the transmission and routing of services using its local exchange facilities or networks, as well as of any other changes that would affect the interoperability of those facilities and networks.
- 3.2 Interconnection Technical Standards. The interconnection of all networks will be based upon accepted industry/national guidelines for transmission standards and traffic blocking criteria. Interconnecting facilities shall conform, at a minimum, to the telecommunications industry standard of DS-1 pursuant to Bellcore Standard No. TR-NWT-00499. Signal transfer point, Signaling System 7 ("SS7") connectivity is required at each interconnection point. BellSouth will provide out-of-band signaling using Common Channel Signaling Access Capability where technically and economically feasible, in accordance with the technical specifications set forth in the BellSouth Guidelines to Technical Publication, TR-TSV-000905. Facilities of each Party shall provide the necessary on-hook, off-hook answer and disconnect supervision and shall hand off calling number ID (Calling Party Number) when technically feasible.
- 3.3 Quality of Interconnection. The local interconnection for the transmission and routing of telephone exchange service and exchange access that each Party provides to each other will be at least equal in quality to what it provides to itself and any subsidiary or affiliate or to any other Party to which each Party provides local interconnection.
- 3.4 Network Management Controls. Both Parties will work cooperatively with each other to apply sound network management principles by invoking appropriate network management controls (e.g., call gapping) to alleviate or prevent network congestion.
- 3.5 Common Channel Signaling. Both Parties will provide LEC-to-LEC Common Channel Signaling ("CCS") to each other, where available, in conjunction with all

traffic in order to enable full interoperability of CLASS features and functions except for call return. All CCS signaling parameters will be provided, including automatic number identification (“ANI”), originating line information (“OLI”) calling company category, charge number, etc. All privacy indicators will be honored, and each Party will cooperate with each other on the exchange of Transactional Capabilities Application Part (“TCAP”) messages to facilitate full interoperability of CCS-based features between the respective networks. Neither Party shall alter the CCS parameters, or be a party to altering such parameters, or knowingly pass CCS parameters that have been altered in order to circumvent appropriate interconnection charges.

- 3.6           Signaling Call Information. BellSouth and Adelphia will send and receive 10 digits for local traffic. Additionally, BellSouth and Adelphia will exchange the proper call information, i.e. originated call company number and destination call company number, CIC, and OZZ, including all proper translations for routing between networks and any information necessary for billing.
- 3.7           Forecasting Requirements. The Parties shall exchange technical descriptions and forecasts of their interconnection and traffic requirements in sufficient detail necessary to establish the interconnections required to assure traffic completion to and from all customers in their respective designated service areas. In order for the Parties to provide as accurate reciprocal trunking forecasts as possible to each other, each Party must timely inform the other Party of any known or anticipated events that may affect reciprocal trunking requirements. If either Party is unable to provide such information, The Parties shall provide reciprocal trunking forecasts based only on existing trunk group growth and annual estimated percentage of subscriber line growth.
  - 3.7.1       Both Parties shall meet every six months or at otherwise mutually agreeable intervals for the purpose of exchanging non-binding forecasts of its traffic and volume requirements for the interconnection and network elements provided under this Agreement, in the form and in such detail as agreed by the Parties. The Parties agree that each forecast provided under this Section shall be deemed “Confidential Information” in the General Terms and Conditions – Part A of this Agreement.
  - 3.7.2       The trunk forecast should include trunk requirements for all of the interconnecting trunk groups for the current year plus the next future year. The forecast meeting between the two companies may be a face-to-face meeting, video conference or audio conference. It may be held regionally or geographically. Ideally, these forecast meetings should be held at least semi-annually, or more often if the forecast is no longer usable. Updates to a forecast or portions thereof should be made whenever the Party providing the forecast deems that the latest trunk requirements exceed the original quantities by 24 trunks or 10%, whichever is greater. Either Party should notify the other Party if they have measurements

indicating that a trunk group is exceeding its designed call carrying capacity and is impacting other trunk groups in the network. Also, either Party should notify the other Party if they know of situations in which the traffic load is expected to increase significantly and thus affect the interconnecting trunk requirements as well as the trunk requirements within the other Party's network. The Parties agree that the forecast information provided under this Section shall be deemed "Confidential Information" as set forth in the General Terms and Conditions of this Agreement.

3.7.3 For a non-binding trunk forecast, agreement between the two Parties on the trunk quantities and the timeframe of those trunks does not imply any liability for failure to perform if the trunks are not available for use at the required time.

3.7.4 Upon written request from Adelphia, BellSouth shall provide Adelphia written confirmation that it has received Adelphia's forecasts and considered such information in BellSouth's network planning. Trunking forecasts shall include:

- (i) the use of Common Language Locator Identifier (LLI-MSG), which is described in BellCore documents BR 795-100-100 and BIR 795-400-100; and
- (ii) a description of major network projects anticipated for the following six (6) months that could affect the other Party. Major network projects including trunking or network rearrangements; anticipated tandem exhaust; anticipated office exhaust. This planning will include the issues of network capacity, forecasting, and compensation calculation, where appropriate.

If the forecasts vary significantly, the Parties shall meet to review and reconcile such forecasts.

3.7.5 BellSouth shall provide notice to Adelphia of any network changes pursuant to FCC Rules 51.325-51.335.

#### **4. Parity in Ordering And Provisioning**

Each Party shall provide interconnection ordering and provisioning services to the other Party that are equal to the ordering and provisioning services the Parties provide themselves, their affiliates and third parties. Detailed procedures for ordering and provisioning BellSouth interconnection services are set forth in the *BellSouth Call Transport & Termination Service For Facility Based CLECs section of the Facility Based CLEC Activation Requirements Customer Guide*.

#### **5. Local Dialing Parity**



- 5.1 BellSouth and Adelphia shall provide local and toll dialing parity to each other with no unreasonable dialing delays. Dialing parity shall be provided for all originating telecommunications services that require dialing to route a call. BellSouth and Adelphia shall permit similarly situated telephone exchange service end users to dial the same number of digits to make a local telephone call notwithstanding the identity of the end user's or the called party's telecommunications service provider.

## **6. Interconnection Compensation**

- 6.1 Compensation for Call Transportation and Termination for Local Traffic and Inter-Carrier Compensation for ISP-Bound Traffic.

- 6.1.1 Local traffic is defined as any telephone call that originates in one exchange and terminates in either the same exchange, or other local calling area associated with the originating exchange as defined and specified in Section A3 of BellSouth's General Subscriber Service Tariff, except for those calls that are originated or terminated through switched access arrangements as established by the ruling regulatory body. Local traffic does not include, and the Parties shall not pay reciprocal compensation for, calls where a Party willfully sets up a call, or colludes with a third party to set up a call, to the other Party's network for the primary purpose of receiving reciprocal compensation, and not for the purpose of providing a Telecommunications Service to an End User in good faith.

- 6.1.2 Nothing in this Agreement shall be construed to limit each Party's ability to designate the areas within which the Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs.

Subject to the Parties agreement to the terms of Sections 1.5 through 1.8, and Sections 2.9 through 2.9.6, the Parties will compensate each other on a mutual and reciprocal basis for the transport and termination of Local Traffic at the following rates:

Effective Date – 12/31/00	\$.00200 per MOU
1/1/01 – 12/31/01	\$.00175 per MOU
1/1/02 – 12/31/02	\$.00150 per MOU

The Parties recognize and agree that they negotiated these annual rates together as a complete rate structure to apply over the full term of this Agreement and that the Parties would not have mutually agreed to accept a single annual rate in any single year. Nothing in this Paragraph shall limit Adelphia's rights pursuant to Paragraph 6.1.3.3.

- 6.1.3 The Parties have been unable to agree upon whether dial up calls to Information Service Providers ("ISPs") should be considered Local Traffic for purposes of this

Agreement. Dial-up Calls are defined as calls to an ISP that are dialed by using a local dialing pattern (7 or 10 digits) by the calling party to an ISP server located in the local calling area (hereinafter referred to as "ISP-bound traffic"). However, without prejudice to either Party's position concerning the application of reciprocal compensation to ISP-bound traffic, the Parties agree for purposes of this Agreement only to compensate each other for the delivery of ISP-bound traffic at the same per minute of use rates set forth in Paragraph 6.1.2. It is expressly understood and agreed that this inter-carrier compensation mechanism for ISP-bound traffic is being established: (1) in consideration for a waiver and release by each party for any and all claims for reciprocal compensation for ISP-bound traffic exchanged between the parties prior to expiration of their predecessor interconnection agreements, which is hereby given; and (2) subject to the terms and conditions in section 6.1.4.

- 6.1.3.1 The Parties recognize and agree that the FCC, courts of competent jurisdiction, or state commissions with jurisdiction over the Parties will issue subsequent decisions on ISP-bound traffic ("Subsequent Decisions"). Notwithstanding any provision in this Agreement to the contrary, the inter-carrier compensation mechanism established in Section 6.1.3 shall continue at the rates set forth in Section 6.1.2 for the full term of this Agreement without regard to such Subsequent Decisions, except as provided for in Sections 6.1.3.2 and 6.1.3.3.
- 6.1.3.2 To the extent such Subsequent Decisions render the inter-carrier compensation mechanism for ISP-bound traffic set forth in Section 6.1.3 in violation of applicable federal or state law, the Parties agree to amend this Agreement within thirty (30) days of the effective date of any such Subsequent Decision to conform the inter-carrier compensation mechanism set forth in Section 6.1.3 with such Subsequent Decision. In the event of such an amendment, there will be no true-up for compensation paid prior to the amendment.
- 6.1.3.3 Nothing herein shall preclude Adelphia from exercising its rights under this Agreement or Section 252(i) of the 1996 Act and applicable FCC regulations to elect rates, terms, and conditions with respect to the payment of reciprocal compensation from any other approved interconnection agreement executed by BellSouth under which BellSouth is paying reciprocal compensation for ISP-bound traffic other than on an interim basis. The Parties recognize and agree that this provision is intended to ensure that Adelphia is treated in the same manner with respect to the payment of reciprocal compensation for ISP-bound traffic as the competing local exchange carrier from whose interconnection agreement Adelphia seeks to elect rates, terms, and conditions. Accordingly, Adelphia agrees that it will not seek to elect reciprocal compensation rates, terms, or conditions from another interconnection agreement unless those rates, terms, and conditions apply to ISP-bound traffic (other than on an interim basis), either by the express terms of that agreement, by voluntary action by BellSouth, or pursuant to an effective state commission or court order.

- 6.1.4 The Parties recognize and agree that the compensation for the transport and termination of Local Traffic set forth in Section 6.1.2 and the inter-carrier compensation mechanism for ISP-bound traffic set forth in Section 6.1.3 are intended to allow each Party to recover costs associated with such traffic.
- 6.1.5 Neither Party shall represent switched access services traffic as Local Traffic for purposes of payment of reciprocal compensation.

**ADELPHIA'S PROPOSED LANGUAGE:**

- 6.1.6 Unidentifiable Traffic. Each Party shall utilize its NPA/NXXs in such a way and will provide the necessary information so that the other Party shall be able to distinguish Local from IntraLATA Toll traffic for the other Party's originated traffic.

**BELLSOUTH'S PROPOSED LANGUAGE:**

- 6.1.6 The Parties agree that the jurisdiction of a call is determined by its originating and terminating (end to end) points. For the purpose of delivery of BellSouth originating traffic to Adelphia, BellSouth will pay to Adelphia reciprocal compensation for Local Traffic terminating to Adelphia end users physically located in the BellSouth rate center to which the Adelphia end user's NPA/NXX is assigned. If Adelphia assigns NPA/NXXs to specific BellSouth rate centers and assigns numbers from those NPA/NXXs to end users physically located outside of the rate center to which the NPA/NXX is assigned, BellSouth traffic originating from within the BellSouth rate center where the NPA/NXX is assigned and terminating to a Adelphia customer physically locate outside of such rate center, and at a location toll to the BellSouth originating rate center, shall not be deemed Local Traffic, and no compensation from BellSouth to Adelphia shall be due therefore. Further, Adelphia agrees to identify such traffic to BellSouth and to compensate BellSouth's tariffed ~~intrastate~~-switched access rates. In addition, Adelphia should not use NPA/NXXs to collect BellSouth originated local or intraLATA toll traffic and for delivery to a point outside the LATA from where the originating NPA/NXX rate center resides.

- 6.1.6.1 If Adelphia does not identify such traffic to BellSouth, to the best of BellSouth's ability BellSouth will determine which whole Adelphia NPA/NXXs on which to charge the applicable rates for originating intrastate network access service as reflected in BellSouth's Intrastate Access Service Tariff. BellSouth shall make appropriate billing adjustments if Adelphia can provide sufficient information for BellSouth to determine whether said traffic is local or toll.

- 6.2 Percent Local Use. Each Party will report to the other a Percentage Local Usage ("PLU") factor for the reporting Party's originating traffic. The PLU will be utilized by the terminating Party to determine the amount of local minutes to be billed to the originating Party. For purposes of developing the PLU, the

originating Party shall consider all Local Traffic, IntraLATA Toll Traffic and Switched Access Traffic, excluding Transit Traffic. By the first of January, April, July and October of each year, each Party shall provide a positive report updating the PLU. Requirements associated with PLU calculation and reporting shall be as set forth in BellSouth's Percent Local Use Reporting Guidebook, as it is amended from time to time. Notwithstanding the foregoing, where the terminating Party has message recording technology that identifies the jurisdiction of traffic terminated as defined in this Agreement, such information, in lieu of the PLU factor, shall at the terminating Party's sole discretion be utilized to determine the appropriate local usage compensation to be paid. Use of such messaging recording technology shall not relieve either Party of its obligation to provide a PLU factor as set forth in this Section. The audit provisions of Section 6.5 apply whether local minutes billed to the originating Party are determined through use of the PLU or message recording technology.

The addresses for the receipt of PLU reports are:

Adelphia  
CABS Manager  
Main at Water Street  
Coudersport, PA 16915

BellSouth  
BellSouth Billing Manager  
2300 North Lake Centre  
Suite 415  
Tucker, Georgia 30084

- 6.4 Percentage Interstate Usage. For combined interstate, intrastate, and local Adelphia traffic terminated by BellSouth over the same facilities, Adelphia will be required to provide a projected Percentage Interstate Usage ("PIU") to BellSouth. All jurisdictional report requirements, rules and regulations for Interexchange Carriers specified in BellSouth's Intrastate Access Services Tariff will apply to Adelphia. After interstate and intrastate traffic percentages have been determined by use of PIU procedures, the PLU factor will be used for application and billing of local interconnection. Notwithstanding the foregoing, where the terminating Party has message recording technology that identifies the jurisdiction of traffic terminated as defined in this Agreement, such information, in lieu of the PIU and PLU factor, shall at the terminating Party's option be utilized to determine the appropriate local usage compensation to be paid.
- 6.5 Audits. On thirty (30) days written notice, each Party must provide the other the ability and opportunity to conduct an annual audit to ensure the proper billing of traffic. BellSouth and Adelphia shall retain records of call detail for a minimum of nine months from which a PLU and/or PIU can be ascertained. The audit shall

be accomplished during normal business hours at an office designated by the Party being audited. Audit requests shall not be submitted more frequently than one (1) time per calendar year. Audits shall be performed by a mutually acceptable independent auditor paid for by the Party requesting the audit. The PLU and/or PIU shall be adjusted based upon the audit results and shall apply to the usage for the quarter the audit was completed, to the usage for the quarter prior to the completion of the audit, and to the usage for the two quarters following the completion of the audit. If, as a result of an audit, either Party is found to have overstated the PLU and/or PIU by twenty percentage points (20%) or more, that Party shall reimburse the auditing Party for the cost of the audit.

## 6.6 **Rate True-up**

This section applies only to Tennessee and other rates that are interim or expressly subject to true-up under this attachment.

- 6.6.1 The interim prices for Unbundled Network Elements and Other Services and Local Interconnection shall be subject to true-up according to the following procedures:
- 6.6.2 The interim prices shall be trued-up, either up or down, based on final prices determined either by further agreement between the Parties, or by a final order (including any appeals) of the Commission which final order meets the criteria of (3) below. The Parties shall implement the true-up by comparing the actual volumes and demand for each item, together with interim prices for each item, with the final prices determined for each item. Each Party shall keep its own records upon which the true-up can be based, and any final payment from one Party to the other shall be in an amount agreed upon by the Parties based on such records. In the event of any disagreement as between the records or the Parties regarding the amount of such true-up, the Parties agree that the body having jurisdiction over the matter shall be called upon to resolve such differences, or the Parties may mutually agree to submit the matter to the Dispute Resolution process in accordance with the provisions of Section 12 of the General Terms and Conditions and Attachment 1 of the Agreement.
- 6.6.3 The Parties may continue to negotiate toward final prices, but in the event that no such agreement is reached within nine (9) months, either Party may petition the Commission to resolve such disputes and to determine final prices for each item. Alternatively, upon mutual agreement, the Parties may submit the matter to the Dispute Resolution Process set forth in the General Terms and Conditions of the Agreement, so long as they file the resulting Agreement with the Commission as a “negotiated agreement” under Section 252(e) of the Act.
- 6.6.4 A final order of this Commission that forms the basis of a true-up shall be the final order as to prices based on appropriate cost studies, or potentially may be a

final order in any other Commission proceeding which meets the following criteria:

- (a) BellSouth and CLEC is entitled to be a full Party to the proceeding;
- (b) It shall apply the provisions of the federal Telecommunications Act of 1996, including but not limited to Section 252(d)(1) (which contains pricing standards) and all then-effective implementing rules and regulations; and,
- (c) It shall include as an issue the geographic deaveraging of unbundled element prices, which deaveraged prices, if any are required by said final order, shall form the basis of any true-up.

6.7 Compensation for 8XX and IntraLATA Toll Traffic

6.7.1 IntraLATA Toll Traffic. IntraLATA Toll Traffic is defined as any telephone call that is not local or switched access per this Agreement.

6.7.2 Compensation for intraLATA toll traffic. For terminating its intraLATA toll traffic on the other company's network, the originating Party will pay the terminating Party the terminating Party's current intrastate or interstate, whichever is appropriate, terminating switched access tariff rates as set forth in BellSouth's or Adelphia's Commission or FCC filed and effective Intrastate or Interstate Access Services Tariff. The appropriate charges will be determined by the routing of the call. If Adelphia is the BellSouth end user's presubscribed interexchange carrier or if the BellSouth end user uses Adelphia as an interexchange carrier on a 101XXXX basis, BellSouth will charge Adelphia the appropriate BellSouth tariff charges for originating switched access services.

6.7.3 Compensation for 8XX Traffic. Each Party shall compensate the other pursuant to the appropriate switched access charges, including the database query charge as set forth in BellSouth's or Adelphia's Commission or FCC filed and effective intrastate or interstate switched access tariffs.

6.7.4 Records for 8XX Billing. Each Party will provide to the other the appropriate records necessary for billing intraLATA 8XX customers. The records provided will be in a standard EMI format for a fee of \$0.013 per record.

6.7.5 8XX Access Screening. BellSouth's provision of 8XX TFD to Adelphia requires interconnection from Adelphia to BellSouth 8XX SCP. Such interconnections shall be established pursuant to BellSouth's Common Channel Signaling Interconnection Guidelines and Bellcore's CCS Network Interface Specification document, TR-TSV-000905. Adelphia shall establish CCS7 interconnection at the BellSouth Local Signal Transfer Points serving the BellSouth 8XX SCPs that Adelphia desires to query. The terms and conditions for 8XX TFD are set out in BellSouth's Intrastate Access Services Tariff as amended.

## 6.8 Mutual Provision of Switched Access Service

- 6.8.1 Switched Access Traffic. Switched Access Traffic is defined as telephone calls requiring local transmission or switching services for the purpose of the origination or termination of Telephone Toll Service. Switched Access Traffic includes, but is not limited to, the following types of traffic: Feature Group A, Feature Group B, Feature Group C, Feature Group D, toll free access (e.g., 800/877/888), 900 access, and their successors. The Parties have been unable to agree as to whether Voice over Internet Protocol (VOIP) transmissions which cross local calling area boundaries constitute Switched Access Traffic. Notwithstanding the foregoing, and without waiving any rights with respect to either Party's position as to the jurisdictional nature of VOIP, the Parties agree to abide by any effective and applicable FCC rules and orders regarding the nature of such traffic and the compensation payable by the Parties for such traffic, if any; provided however, that any VOIP transmission which originates in one local calling area and terminates in another local calling area (i.e., the end-to-end points of the call), shall not be compensated as local.
- 6.8.2 When Adelphia is subtending a BellSouth Access Tandem for receipt and delivery of Switched Access Traffic, BellSouth will provide an access service connection to or from an IXC. Each Party will provide its own access services to the IXC on a multi-bill, multi-tariff meet-point basis. Each Party will bill its own access services rates to the IXC with the exception of the interconnection charge. The interconnection charge, if applicable, will be billed by the Party providing the end office function. Each party will use the Multiple Exchange Carrier Access Billing (MECAB) system to establish meet point billing for all applicable traffic. Thirty (30)-day billing periods will be employed for these arrangements. The recording Party agrees to provide to the initial billing Party, at no charge, the switched access detailed usage data within no more than sixty (60) days after the recording date. The initial billing Party will provide the switched access summary usage data to all subsequent billing Parties within 10 days of rendering the initial bill to the IXC. Each Party will notify the other when it is not feasible to meet these requirements so that the customers may be notified for any necessary revenue accrual associated with the significantly delayed recording or billing. As business requirements change data reporting requirements may be modified as necessary.
- 6.8.3 In the event that either Party fails to provide switched access detailed usage data to the other Party within ninety (90) days after the recording date and the receiving Party is unable to bill and/or collect access revenues due to the sending Party's failure to provide such data within said time period, then the Party failing to send the data as specified herein shall be liable to the other Party in an amount equal to the unbillable or uncollectible revenues. Each Party will provide complete documentation to the other to substantiate any claim of unbillable access revenues. In cases of documented unbillable access revenues, the Parties will

reach a negotiated settlement regarding such lost revenues pursuant to the Dispute Resolution process set forth in Section 12 of the General Terms and Conditions.

- 6.8.4 Each Party will retain for a minimum period of sixty (60) days, access message detail sufficient to recreate any data which is lost or damaged by their company or any third party involved in processing or transporting data.
- 6.8.5 Each Party agrees to recreate the lost or damaged data within forty-eight (48) hours of notification by the other or by an authorized third party handling the data.
- 6.8.6 Each Party also agrees to process the recreated data within forty-eight (48) hours of receipt at its data processing center.
- 6.8.7 All claims should be filed with the other Party within 120 days of the receipt of the date of the unbillable usage.
- 6.8.8 The Initial Billing Party shall keep records of its billing activities relating to jointly-provided Intrastate and Interstate access services in sufficient detail to permit the Subsequent Billing Party to, by formal or informal review or audit, verify the accuracy and reasonableness of the jointly-provided access billing data provided by the Initial billing Party. Each Party agrees to cooperate in such formal or informal reviews or audits and further agrees to jointly review the findings of such reviews or audits in order to resolve any differences concerning the findings thereof.
- 6.8.9 Adelphia agrees not to deliver switched access traffic to BellSouth for termination except over Adelphia ordered switched access trunks and facilities.
- 6.9 Transit Traffic Service. For purposes of this paragraph, "Transit Traffic" includes Adelphia Transit Traffic and Third-party Transit Traffic. "Adelphia Transit Traffic" is traffic originating on Adelphia's network that is switched and/or transported by BellSouth and delivered to a third party's network. "Third-party Transit Traffic" is traffic that originates on the network of a third party, is switched and/or transported by BellSouth, and is delivered to Adelphia for termination. BellSouth shall provide tandem switching and transport services for Adelphia Transit Traffic. Rates for Adelphia Transit Traffic shall be the call transport and termination charges set forth in Exhibit A to this Attachment for the functions BellSouth performs in switching and/or transporting Adelphia Transit Traffic. BellSouth shall not charge Adelphia for the transport and/or switching of Third-party Transit Traffic and Adelphia shall not charge BellSouth transport and termination for Third-party Transit Traffic. Transit traffic that is Switched Access traffic shall be subject to the applicable call transport and termination charges set forth in BellSouth's or Adelphia's FCC or Commission filed and effective Interstate or Intrastate Switched Access Tariffs and shall be billed in accordance with Section 6.8.2 of this Attachment. Wireless Type 1 traffic shall not be treated



as Transit Traffic from a routing or billing perspective. Wireless Type 2A traffic shall not be treated as Transit Traffic from a routing or billing perspective until BellSouth and the wireless carrier have the capability to properly meet-point-bill in accordance with MECAB guidelines.

- 6.9.1 The delivery of traffic which transits the BellSouth network and is transported to another carrier's network is excluded from any BellSouth billing guarantees and will be delivered at the rates stipulated in this Agreement to a terminating carrier. BellSouth agrees to deliver this traffic to Adelphia or the third-party carrier; provided, however, that Adelphia is solely responsible for negotiating and executing any appropriate contractual agreements with the third-party carrier for the receipt of this traffic through the BellSouth network. BellSouth will not be liable for any compensation to the terminating carrier or to Adelphia. Adelphia agrees to compensate BellSouth for any charges or costs for the delivery of Adelphia Transit Traffic to a connecting carrier on behalf of Adelphia. Additionally, the Parties agree that any billing to a third party or other telecommunications carrier under this section shall be pursuant to MECAB procedures.

## **7. Frame Relay Service**

- 7.1 In addition to the Local Interconnection services set forth above, BellSouth will offer a network to network Interconnection arrangement between BellSouth's and Adelphia's frame relay switches as set forth below. The following provisions will apply only to Frame Relay Service and Exchange Access Frame Relay Service in those states in which Adelphia is certified and providing Frame Relay Service as a Local Exchange Carrier and where traffic is being exchanged between Adelphia and BellSouth Frame Relay Switches in the same LATA.
- 7.2 The Parties agree to establish two-way Frame Relay facilities between their respective Frame Relay Switches to the mutually agreed upon Frame Relay Service point(s) of interconnection within the LATA. All point(s) of interconnection shall be within the same Frame Relay Network Serving Areas as defined in Section A40 of BellSouth's General Subscriber Service Tariff except as set forth in this Attachment.
- 7.3 Upon the request of either Party, such interconnection will be established where BellSouth and Adelphia have Frame Relay Switches in the same LATA. Where there are multiple Frame Relay switches in one central office, an interconnection with any one of the switches will be considered an interconnection with all of the switches at that central office for purposes of routing packet traffic.
- 7.4 The Parties agree to provision local and IntraLATA Frame Relay Service and Exchange Access Frame Relay Service (both intrastate and interstate) over Frame

Relay interconnection facilities between the respective Frame Relay switches and the Frame Relay Service Point of Interconnection.

- 7.5 The Parties agree to assess each other reciprocal charges for the facilities that each provides to the other according to the Percent Local Circuit Use Factor (PLCU), determined as follows:
- 7.5.1 If the data packets originate and terminate in locations in the same LATA, the traffic is considered local. Frame Relay framed packet data is transported within Virtual Circuits (VC). For the purposes of this Agreement, if all the data packets transported within a VC remain within the LATA, then the traffic on that VC is local ("Local VC").
- 7.5.2 If the originating and terminating locations of the two way packet data traffic are not in the same LATA, the traffic on that VC is interLATA ("InterLATA VC").
- 7.5.3 The PLCU is determined by dividing the total number of Local VCs, by the total number of VCs on each Frame Relay facility. To facilitate implementation, Adelphia may determine its PLCU in aggregate, by dividing the total number of Local VCs in a given LATA by the total number VCs in that LATA. The Parties agree to renegotiate the method for determining PLCU, at BellSouth's request, and within 90 days, if BellSouth notifies Adelphia that it has found that this method does not adequately represent the PLCU.
- 7.5.4 If there are no VCs on a facility when it is billed, the PLCU will be zero.
- 7.5.5 BellSouth will provide the circuit between the Parties' respective Frame Relay Switches. The Parties will be compensated as follows: BellSouth will invoice, and Adelphia will pay, the total non-recurring and recurring charges for the circuit based upon the rates set forth in BellSouth's Interstate Access Tariff, FCC No. 1. Adelphia will then invoice, and BellSouth will pay, an amount calculated by multiplying the BellSouth billed charges for the circuit by one-half of Adelphia's PLCU.
- 7.6 The Parties agree to compensate each other for Frame Relay network-to-network interface (NNI) ports based upon the NNI rates set forth in BellSouth's Interstate Access Tariff, FCC No. 1. Compensation for each pair of NNI ports will be calculated as follows: BellSouth will invoice, and Adelphia will pay, the total non-recurring and recurring charges for the NNI port. Adelphia will then invoice, and BellSouth will pay, an amount calculated by multiplying the BellSouth billed non-recurring and recurring charges for the NNI port by Adelphia's PLCU.
- 7.7 Each Party agrees that there will be no charges to the other Party for its own subscriber's Permanent Virtual Circuit (PVC) rate elements for the local PVC segment from its Frame Relay switch to its own subscriber's premises. PVC rate

elements include the Data Link Connection Identifier (DLCI) and Committed Information Rate (CIR).

- 7.8 For the PVC segment between the Adelphia and BellSouth Frame Relay switches, compensation for the PVC charges is based upon the rates in BellSouth's Interstate Access Tariff, FCC No. 1.
- 7.9 Compensation for PVC rate elements will be calculated as follows:
  - 7.9.1 If Adelphia orders a VC connection between a BellSouth subscriber's PVC segment and a PVC segment from the BellSouth Frame Relay switch to the Adelphia Frame Relay switch, BellSouth will invoice, and Adelphia will pay, the total non-recurring and recurring PVC charges for the PVC segment between the BellSouth and Adelphia Frame Relay switches. If the VC is a Local VC, Adelphia will then invoice and BellSouth will pay, the total nonrecurring and recurring PVC charges billed for that segment. If the VC is not local, no compensation will be paid to Adelphia for the PVC segment.
  - 7.9.2 If BellSouth orders a Local VC connection between a Adelphia subscriber's PVC segment and a PVC segment from the Adelphia Frame Relay switch to the BellSouth Frame Relay switch, BellSouth will invoice, and Adelphia will pay, the total non-recurring and recurring PVC and CIR charges for the PVC segment between the BellSouth and Adelphia Frame Relay switches. If the VC is a Local VC, Adelphia will then invoice and BellSouth will pay the total non-recurring and recurring PVC and CIR charges billed for that segment. If the VC is not local, no compensation will be paid to Adelphia for the PVC segment.
  - 7.9.3 The Parties agree to compensate each other for requests to change a PVC segment or PVC service order record, according to the Feature Change charge as set forth in the BellSouth access tariff BellSouth Tariff FCC No, 1.
  - 7.9.4 If Adelphia requests a change to a VC, BellSouth will invoice and Adelphia will pay a Feature Change charge for each affected PVC segment.
    - 7.9.4.1 If BellSouth requests a change to a Local VC, Adelphia will invoice and BellSouth will pay a Feature Change charge for each affected PVC segment.
  - 7.9.5 The Parties agree to limit the sum of the CIR for the VCs on a DS1 NNI port to not more than three times the port speed, or not more than six times the port speed on a DS3 NNI port.
  - 7.9.6 Except as expressly provided herein, this Agreement does not address or alter in any way either Party's provision of Exchange Access Frame Relay Service or interLATA Frame Relay Service. All charges by each Party to the other for

carriage of Exchange Access Frame Relay Service or interLATA Frame Relay Service are included in the BellSouth access tariff BellSouth Tariff FCC No. 1.

- 7.10 Adelphia will identify and report quarterly to BellSouth the PLCU of the Frame Relay facilities it uses, per Section 7.5.3 above.
- 7.11 Either Party may request a review or audit of the various service components, consistent with the provisions of Section 6.5 of this Attachment.
- 7.12 If during the term of this Agreement, BellSouth obtains authority to provide interLATA Frame Relay in any State, the Parties agree to renegotiate this arrangement for the exchange of Frame Relay Service Traffic within one hundred eighty (180) days of the date BellSouth receives interLATA authority. In the event the Parties fail to renegotiate this Section 8 within the one hundred eighty day period, they will submit this matter to the appropriate State commission(s) for resolution.

## **8. Operational Support Systems (OSS) Rates**

- 8.1 BellSouth has developed and made available the following mechanized systems by which Adelphia may submit LSRs electronically.

LENS	Local Exchange Navigation System
EDI	Electronic Data Interface
TAG	Telecommunications Access Gateway

- 8.2 LSRs submitted by means of one of these interactive interfaces will incur an OSS electronic ordering charge as specified in the table below. An individual LSR will be identified for billing purposes by its Purchase Order Number (PON). LSRs submitted by means other than one of these interactive interfaces (mail, fax, courier, etc.) will incur a manual order charge as specified in the table below:

<b>OPERATIONAL SUPPORT SYSTEMS</b>	<b>AL, GA, LA, MS, NC, SC</b>	<b>FL, KY, TN</b>
OSS LSR charge, per LSR received from the CLEC by one of the OSS interactive interfaces	\$3.50 SOMECH	\$3.50 SOMECH
Incremental charge per LSR received from the CLEC by means other than one of the OSS interactive interfaces	See applicable rate element	\$19.99 SOMAN

Note: In addition to the OSS charges, applicable discounted service order and related discounted charges apply per the tariff.

### 8.3 Denial/Restoral OSS Charge

In the event Adelphia provides a list of customers to be denied and restored, rather than an LSR, each location on the list will require a separate PON and, therefore will be billed as one LSR per location.

### 8.4 Cancellation OSS Charge

Adelphia will incur an OSS charge for an accepted LSR that is later canceled by Adelphia.

Note: Supplements or clarifications to a previously billed LSR will not incur another OSS charge.

### 8.5 Network Elements and Other Services Manual Additive

The Commissions in Alabama, Georgia, Louisiana, Mississippi and South Carolina have ordered incremental manual non-recurring charges (NRC) for Network Elements and Other Services ordered by means other than one of the interactive interfaces. These ordered Network Elements and Other Services manual additive NRCs will apply in these states, rather than the charge per LSR.

## Basic Architecture

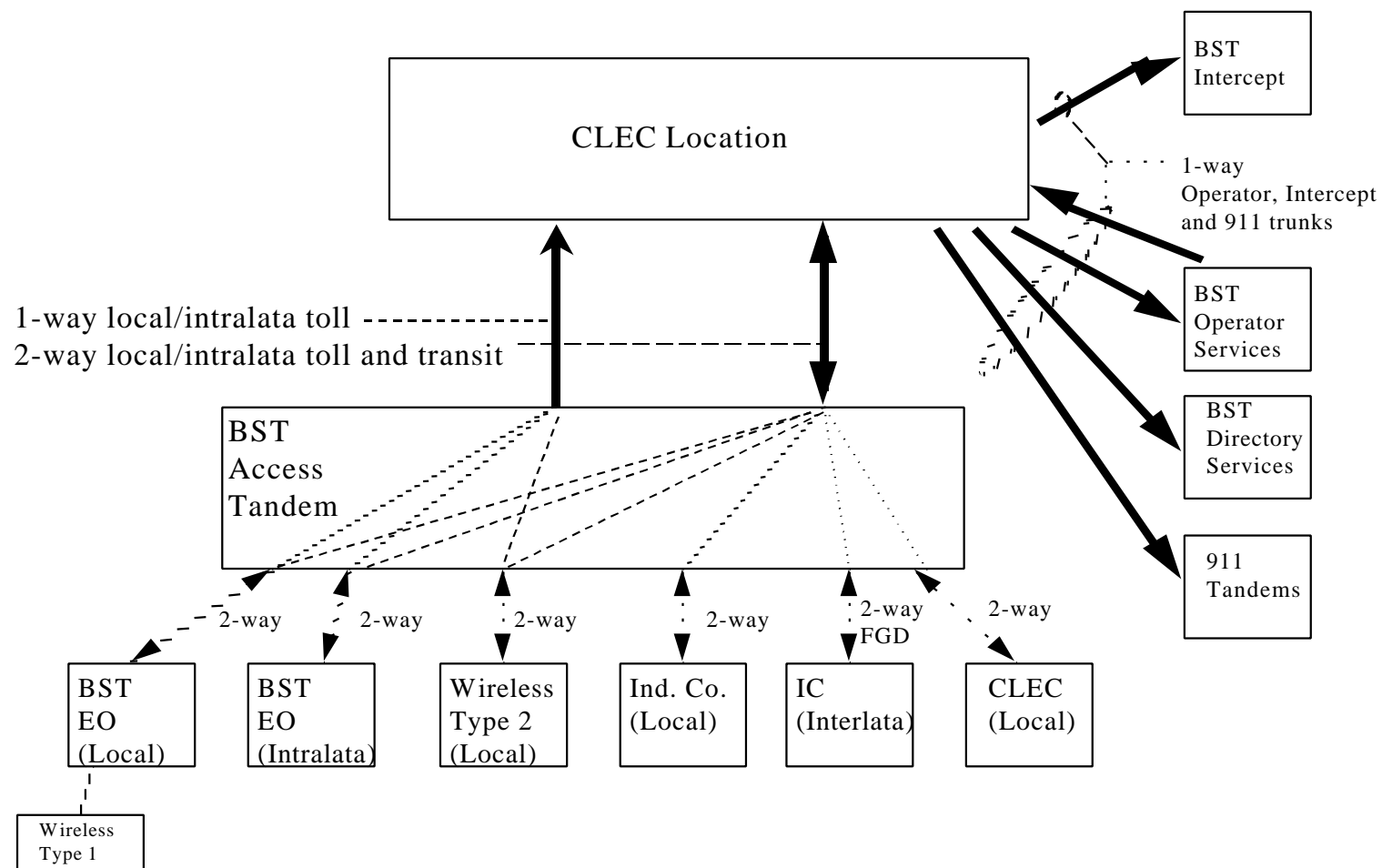


Exhibit B

## One-Way Trunking Architecture

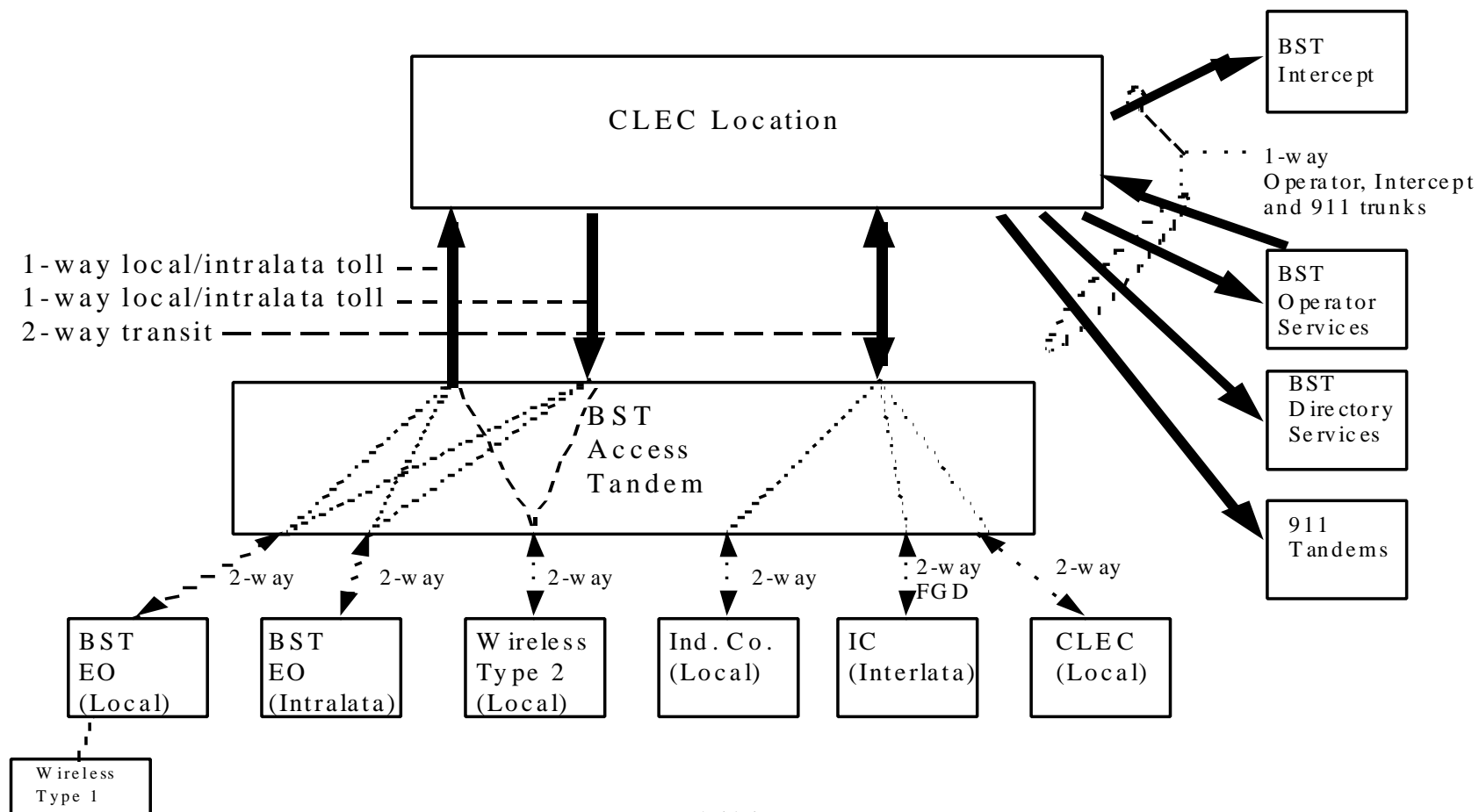


Exhibit C

## Two-Way Trunking Architecture

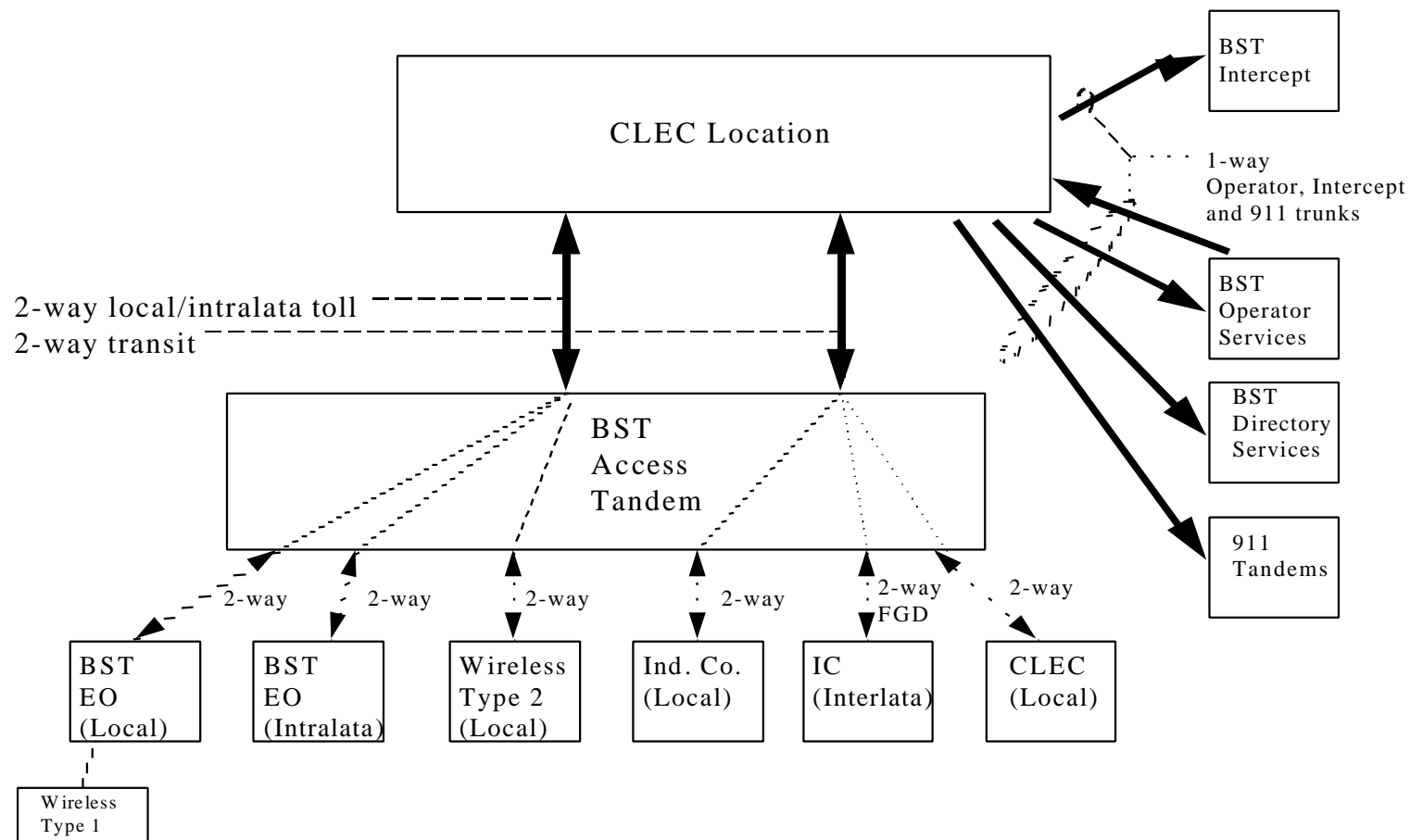
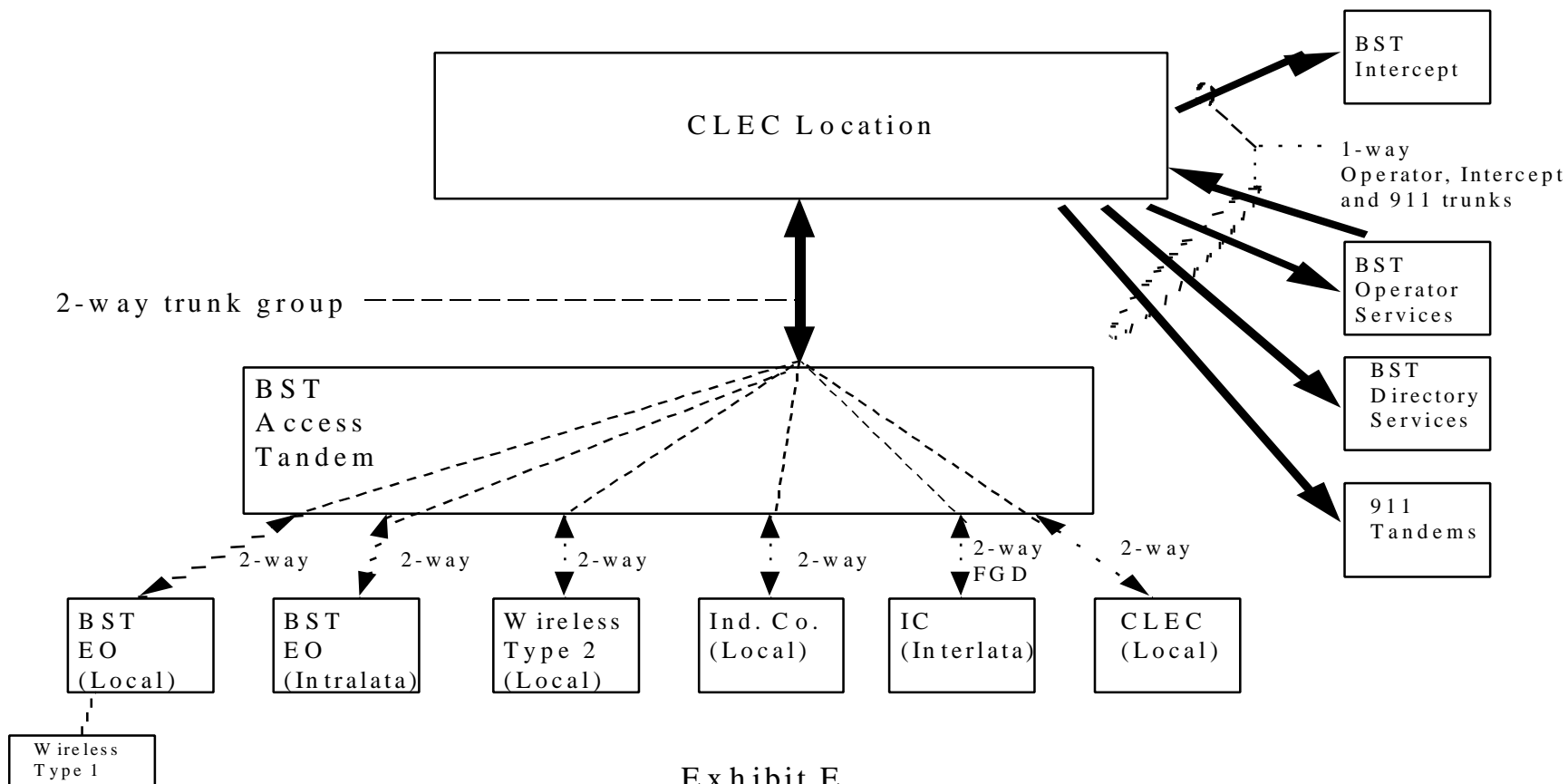


Exhibit D



## SuperGroup Architecture



1                               BELLSOUTH TELECOMMUNICATIONS, INC.  
2                               DIRECT TESTIMONY OF CYNTHIA K. COX  
3                               BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION  
4                               DOCKET NO. 2000-477  
5                               JANUARY 17, 2001

6

7    Q.    PLEASE STATE YOUR NAME, YOUR POSITION WITH BELLSOUTH  
8           TELECOMMUNICATIONS, INC. ("BELLSOUTH") AND YOUR  
9           BUSINESS ADDRESS.

10

11   A.    My name is Cynthia K. Cox. I am employed by BellSouth as Senior Director  
12           for State Regulatory for the nine-state BellSouth region. My business address  
13           is 675 West Peachtree Street, Atlanta, Georgia 30375.

14

15   Q.    PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND  
16           AND EXPERIENCE.

17

18   A.    I graduated from the University of Cincinnati in 1981 with a Bachelor of  
19           Business Administration degree in Finance. I graduated from the Georgia  
20           Institute of Technology in 1984 with a Master of Science degree in  
21           Quantitative Economics. I immediately joined Southern Bell in the Rates and  
22           Tariffs organization with the responsibility for demand analysis. In 1985 my  
23           responsibilities expanded to include administration of selected rates and tariffs  
24           including preparation of tariff filings. In 1989, I accepted an assignment in the  
25           North Carolina regulatory office where I was BellSouth's primary liaison with

1 the North Carolina Utilities Commission Staff and the Public Staff. In 1993, I  
2 accepted an assignment in the Governmental Affairs department in  
3 Washington D.C. While in this office, I worked with national organizations of  
4 state and local legislators, NARUC, the FCC and selected House delegations  
5 from the BellSouth region. In February 2000, I was appointed Senior Director  
6 of State Regulatory.

7  
8 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY BEING FILED  
9 TODAY?

10  
11 A. The purpose of my testimony is to present BellSouth's position on the  
12 unresolved issue in the negotiations between BellSouth and Adelphia Business  
13 Solutions of Kentucky, Inc. ("Adelphia"). BellSouth acknowledges Adelphia's  
14 initial request for negotiations in Kentucky as occurring on May 11, 2000.  
15 BellSouth and Adelphia have negotiated in good faith and have resolved the  
16 vast majority of the issues raised during the negotiations. Five issues are  
17 included in the Petition for Arbitration (the "Petition") filed by Adelphia with  
18 the Kentucky Public Service Commission ("Commission") on October 18,  
19 2000. BellSouth added a sixth issue in its Response to Adelphia's Petition.  
20 Since the Response was filed, BellSouth understands that the parties have  
21 reached agreement as to Issues 1, 3, 4, 5, and 6. If this is not the case,  
22 BellSouth reserves the right to file additional testimony on these issues.

1                                    ***Issue 1: (Attachment 3, Sections 1.8 and 2.3)***

2                    (A) ***May Adelphia continue to charge its tariffed rates to BellSouth for***  
3                                    ***leased facility interconnection;***

4                    (B) ***If not, should BellSouth be permitted to charge more than Adelphia for***  
5                                    ***the same facility because BellSouth has deployed more switches in the***  
6                                    ***LATA?***

7

8    Q.        WHAT IS BELL SOUTH'S POSITION ON THIS ISSUE?

9

10    A.        It is BellSouth's understanding that this issue has been resolved in Kentucky.  
11                    If this is not the case, BellSouth reserves the right to file additional testimony  
12                    on this issue.

13

14                                    ***Issue 2: (Attachment 3, Sections 6.1.9 and 6.1.9.1)***

15                    (A) ***Should the parties be obligated to compensate each other for calls to***  
16                                    ***numbers with NXX codes associated with the same local calling***  
17                                    ***area?***

18                    (B) ***Should BellSouth be able to charge originating access to Adelphia***  
19                                    ***on all calls going to a particular NXX code based upon the location***  
20                                    ***of any one customer using that NXX code?***

21

22    Q.        WHAT IS BELL SOUTH'S POSITION ON THIS ISSUE?

23

24    A.        As I understand it, Adelphia wants to assign a telephone number that is  
25                    associated with one local calling area (i.e., Frankfort) to an Adelphia customer

1           who is physically located in a different local calling area (i.e., Louisville).  
2           Adelphia then claims that because a BellSouth customer in Frankfort dials a  
3           “local” number to reach the Adelphia customer in Louisville, the call is  
4           somehow a “local” call. Adelphia’s position is wrong because it ignores the  
5           fact that regardless of the telephone number Adelphia assigns to its customer,  
6           the call I have just discussed originates in one local calling area and terminates  
7           in a different local calling area. The call, therefore, is not a local call, and  
8           BellSouth should not be required to pay reciprocal compensation for the call.

9  
10    Q.    IS ADELPHIA RESTRICTED TO GIVING NUMBERS ASSIGNED TO A  
11           PARTICULAR RATE CENTER, TO CUSTOMERS WHO ARE  
12           PHYSICALLY LOCATED IN THAT SAME RATE CENTER?

13  
14    A.    No. When Adelphia, or any other carrier, is given an NPA/NXX code by the  
15           North American Numbering Plan Administrator, the carrier must assign that  
16           NPA/NXX code to a rate center. All other carriers use this assignment  
17           information to determine whether calls originated by its customers to numbers  
18           in that NPA/NXX code are local or long distance calls. For example, assume  
19           that the administrator assigns the 502/336 NPA/NXX to Adelphia. Adelphia  
20           would tell the administrator where 502/336 is assigned. Let’s say Adelphia  
21           assigns the 502/336 code to the Frankfort rate center. When a local carrier’s  
22           customer calls a number in the 502/336 code, the local carrier bills its customer  
23           based on whether a call from the location where the call originates to the  
24           Frankfort rate center is a local call or a long distance call. If a BellSouth  
25           customer in the Frankfort local calling area calls a number in the 502/336 code

1 in this example, BellSouth treats the call as a local call for purposes of billing  
2 its Frankfort customer. Likewise, if a BellSouth customer in Louisville calls a  
3 number in the 502/336 code, BellSouth would bill the customer for a long  
4 distance call.

5  
6 In the example above, Adelphia is not restricted to giving numbers in the  
7 502/336 code only to customers that are physically located in the Frankfort  
8 rate center. Adelphia is permitted to assign a number in the 502/336 code to  
9 any of its customers regardless of where they are physically located. Again,  
10 BellSouth is not attempting to restrict Adelphia's ability to do this.

11  
12 Continuing with the hypothetical example, let's see what happens if Adelphia  
13 disassociates the physical location of a customer with a particular telephone  
14 number from the rate center where that NPA/NXX code is assigned. Assume  
15 that Adelphia gives the number 502-336-3000 to one of its customers in  
16 Louisville. If a BellSouth customer in Frankfort calls 502-336-3000,  
17 BellSouth will bill its customer in Frankfort as if the customer made a local  
18 call. BellSouth, however, would hand off the call to Adelphia at a BellSouth  
19 designated Point of Interconnection ("POI"), and Adelphia would then carry  
20 the call from that point to its end user in Louisville. Because the end points of  
21 the call are in Frankfort and Louisville, the call is a long distance call. To use  
22 a more extreme example, Adelphia could elect to assign another number, say  
23 502-336-4000 to one of its customers who is physically located in New York.  
24 A BellSouth customer in Frankfort who calls 502-336-4000 would be billed as  
25 if he made a local call, but the call would actually terminate in New York,

1 which clearly would be a long distance call. Under Adelphia's proposal,  
2 BellSouth would pay reciprocal compensation on those calls from Frankfort to  
3 Louisville or from Frankfort to New York, even though these are not local  
4 calls and are not subject to reciprocal compensation.

5  
6 Q. IS TRAFFIC JURISDICTION ALWAYS DETERMINED BY THE RATE  
7 CENTERS WHERE THE ORIGINATING AND TERMINATING  
8 NPA/NXXs ARE ASSIGNED, AS INDICATED IN ADELPHIA'S  
9 PETITION?

10  
11 A. No. Traffic jurisdiction based on rate center assignment may be used for retail  
12 end user billing, but not for inter-company compensation purposes. The FCC  
13 has made it clear that traffic jurisdiction is determined based upon the  
14 originating and terminating end points of a call, not the NPA/NXXs of the  
15 calling or called number. One example of this is originating Feature Group A  
16 ("FGA") access service. Even though the originating end user dials a number  
17 that appears local to him or her, no one disputes that originating FGA traffic is  
18 switched access traffic with respect to jurisdiction and compensation between  
19 the involved companies. As the Commission is aware, FGA access is not a  
20 local service.

21  
22 Another example of this is Foreign Exchange (FX) service. Here again, it  
23 appears to the originating customer that a local call is being made when, in  
24 fact, the terminating location is outside the local calling area (i.e., long  
25 distance). Further, because the call to the FX number appears local and the

1 calling and called NPA/NXXs are assigned to the same rate center, the  
2 originating end user is not billed for a toll call. Despite the fact that the calls  
3 appear to be local to the originating caller, FX service is clearly a long distance  
4 service. Additionally, as I explain below, the FX subscriber compensates  
5 BellSouth for hauling the call outside the local calling area in which it  
6 originated.

7

8 Q. WHEN ADELPHIA ASSIGNS NUMBERS IN THE MANNER YOU HAVE  
9 DESCRIBED, IS ADELPHIA ATTEMPTING TO DEFINE ITS OWN  
10 LOCAL CALLING AREA?

11

12 A. No. When Adelphia assigns numbers in the manner described, Adelphia is not  
13 necessarily attempting to define, or offer, a different local calling area for its  
14 customers than the local calling area offered by BellSouth. In fact, in the  
15 previous hypothetical example of the 502/336 code that Adelphia assigns to  
16 Frankfort, Adelphia does not need to have any customers who are physically  
17 located in the Frankfort local calling area. What Adelphia is doing is offering  
18 free interexchange calling to customers of other LECs (i.e. BellSouth).  
19 Adelphia is offering a service that allows BellSouth's local service customers  
20 to make calls that appear to be local to selected customers of Adelphia who are  
21 physically located in a different local calling area. At best, in the Frankfort  
22 example, Adelphia is attempting to redefine the local calling area of  
23 BellSouth's customers in Frankfort.

24



1 Adelphia, however, is only permitted to define the local calling area for its own  
2 customers. If, in the example, Adelphia had any of its own local service  
3 customers in Frankfort and offered those customers the ability to call  
4 Louisville without long distance charges, then it could be said that Adelphia  
5 was offering a local calling area in Frankfort that was different from  
6 BellSouth's. The local calling area, however, would be defined that way only  
7 for those customers to whom Adelphia provided local service. Adelphia is free  
8 to delineate whatever local calling area it wants for its customers. Adelphia,  
9 however, cannot determine the local calling area for BellSouth customers.  
10 Specifically, Adelphia cannot offer interexchange service to BellSouth's local  
11 service customers and call that service local, even if it is provided on a toll-free  
12 basis to BellSouth's customers.

13  
14 Q. DOES BELL SOUTH CURRENTLY ASSIGN NXX CODES TO  
15 CUSTOMERS WHO ARE NOT PHYSICALLY LOCATED IN THE  
16 EXCHANGE AREA ASSOCIATED WITH A PARTICULAR NXX?

17  
18 A. Yes. BellSouth's FX service allows an FX subscriber that is not physically  
19 located in a particular exchange area to receive a telephone number with an  
20 NXX code that is associated with that exchange area.

21  
22 Q. DOES BELL SOUTH BILL CLECS RECIPROCAL COMPENSATION FOR  
23 CALLS FROM CLEC CUSTOMERS TO BELL SOUTH FX CUSTOMERS?

24  
25 A. Yes, if the FX customer is not an internet service provider.

1

2 Q. ISN'T THAT INCONSISTENT WITH BELL SOUTH'S POSITION THAT  
3 RECIPROCAL COMPENSATION IS DUE ONLY FOR CALLS THAT  
4 ORIGINATE AND TERMINATE IN THE SAME LOCAL CALLING  
5 AREA?

6

7 A. Not always. A CLEC is allowed to designate the local calling area for calls  
8 originated by the CLEC's customers. Let's assume the CLEC designates the  
9 entire LATA as the local calling area for calls originated by the CLEC's  
10 customers. When a customer of that CLEC calls a BellSouth FX customer that  
11 is physically located within the same LATA, that call originates and terminates  
12 in the same local calling area that has been designated by the CLEC. That call,  
13 therefore, is a local call, and BellSouth is entitled to collect reciprocal  
14 compensation from the CLEC for transporting and terminating that call to the  
15 BellSouth FX customer.

16

17 A CLEC, however, may designate the same local calling areas as BellSouth  
18 has designated. If that is the case, and if a CLEC customer in the CLEC's  
19 local calling area number 1 dials an FX number and reaches a BellSouth FX  
20 customer physically located in the CLEC's local calling area number 2, that is  
21 not a local call. BellSouth, therefore, should not collect reciprocal  
22 compensation from the CLEC for that call.

23

24 Q. HOW MANY FX LINES ARE THERE IN KENTUCKY, COMPARED TO  
25 TOTAL ACCESS LINES IN KENTUCKY?

1 A. As of November 30, 2000, BellSouth was providing 728 FX lines in Kentucky,  
2 compared to a total of more than 1.2 million BellSouth access lines in  
3 Kentucky. The number of FX lines BellSouth provides in Kentucky, therefore,  
4 is less than 1% (.06%) of the total number of BellSouth access lines in  
5 Kentucky.

6

7 Q. WHAT IS BELLSOUTH DOING TO ADDRESS THIS SITUATION?

8

9 A. BellSouth has decided to implement a process to ensure that no reciprocal  
10 compensation is charged for any calls to BellSouth's FX customers, even in  
11 those instances in which, as I have just explained, BellSouth would be entitled  
12 to collect reciprocal compensation for such calls.

13

14 Q. DESCRIBE THE PROCESS THAT BELLSOUTH IS IMPLEMENTING TO  
15 ENSURE THAT RECIPROCAL COMPENSATION IS NOT CHARGED  
16 FOR CALLS TO BELLSOUTH'S FX CUSTOMERS.

17

18 A. BellSouth is building a database of all existing BellSouth FX numbers and it is  
19 developing programming that will place newly assigned FX numbers into the  
20 database as they are assigned. This database will be used to prevent billing of  
21 reciprocal compensation on calls to BellSouth FX numbers. These systems are  
22 scheduled to be implemented no later than the end of February, 2001.

23

24 Q. HAVE ANY STATE COMMISSIONS IN THE BELLSOUTH REGION  
25 ADDRESSED THIS ISSUE?

1

2 A. Yes, the South Carolina, Florida and Georgia Commissions have ruled  
3 consistent with BellSouth's position on this issue.

4

5 Q. PLEASE DESCRIBE THE DECISION OF THE PUBLIC SERVICE  
6 COMMISSION OF SOUTH CAROLINA.

7

8 A. The Public Service Commission of South Carolina issued its decision in the  
9 Adelphia arbitration case on January 16, 2001 (Docket No. 2000-516-C, Order  
10 No. 2001-045). That Commission adopted BellSouth's proposed  
11 interconnection agreement language, which specifies that such traffic is not  
12 local traffic. The Commission also ruled that BellSouth is not required to pay  
13 reciprocal compensation for any call terminating to a customer who is  
14 physically located outside of the local calling area where the call originates.  
15 Further, the Commission ruled that originating access charges apply on all  
16 calls going to a "virtual NXX" code where the traffic is delivered to customers  
17 located outside the local calling area where the call originates.

18

19 Q. COULD YOU BRIEFLY DESCRIBE THE FLORIDA DECISION ON THIS  
20 ISSUE?

21

22 A. Yes. This issue was recently addressed by the Florida Commission in the  
23 arbitration proceeding between BellSouth and Intermedia (Order No. PSC-00-  
24 1519-FOF-TP, Docket No. 991854-TP, dated August 22, 2000). In that  
25 proceeding, the Florida Commission determined that until Intermedia could

1 provide information to permit proper billing, Intermedia could not give  
2 numbers to customers who are physically located outside the rate center where  
3 the NPA/NXX code is assigned. Specifically, the Florida Commission ruled at  
4 page 43 of its Order:

5 *If Intermedia intends to assign numbers outside of the areas with which*  
6 *they are traditionally associated, Intermedia must provide information*  
7 *to other carriers that will enable them to properly rate calls to those*  
8 *numbers. We find no evidence in the record indicating that this can be*  
9 *accomplished.*

10  
11 *Based on the foregoing, we find it appropriate that the parties be*  
12 *allowed to establish their own local calling areas. Nevertheless, the*  
13 *parties shall be required to assign numbers within the areas to which*  
14 *they are traditionally associated, until such time when information*  
15 *necessary for the proper rating of calls to numbers assigned outside of*  
16 *those areas can be provided.*

17  
18 Since the time of the Intermedia arbitration, BellSouth has identified a means  
19 to handle the rating issue the Florida Commission recognized. BellSouth  
20 would propose not to charge its end user for a long distance call, even though a  
21 long distance call had been made. This treatment is similar to the rating of  
22 calls from BellSouth end users to 800 numbers. The reason for this approach  
23 is that, like 800 service, Adelphia is incurring the long distance costs in this  
24 case and, if it chooses to do so, it may recover these costs from the end user

1           that subscribes to the Adelphia service. Of course, like 800 service, this is a  
2           long distance service.

3

4    Q.    COULD YOU BRIEFLY DESCRIBE THE GEORGIA DECISION ON THIS  
5           ISSUE?

6

7    A.    Yes. On July 5, 2000, in Docket No. 11644-U (Intermedia arbitration), the  
8           Georgia Commission ordered that Intermedia be allowed to assign its  
9           NPA/NXXs in accordance with the establishment of its local calling areas,  
10          provided that it furnish the necessary information to BellSouth and all other  
11          telecommunication carriers that they may identify local and toll traffic and  
12          provide for the proper routing and billing of those calls.

13

14   Q.    WHAT OTHER STATE COMMISSIONS HAVE ADDRESSED WHETHER  
15          THE SERVICE DESCRIBED IN THIS ISSUE IS LOCAL OR  
16          INTEREXCHANGE?

17

18   A.    The Maine, Texas and Illinois Commissions have determined that this is not  
19          local service. Texas and Illinois have further stated that reciprocal  
20          compensation should not apply in Virtual FX/Virtual NXX situations.

21

22   Q.    BRIEFLY DESCRIBE THE MAINE COMMISSION'S ORDER THAT YOU  
23          REFERRED TO ABOVE.

24

1     A.     The Maine Commission's Order was issued on June 30, 2000 in Docket Nos.  
2           98-758 and 99-593. The service at issue in that order is the same type of  
3           service described in this issue. (Order at p. 4). Brooks Fiber ("Brooks" – a  
4           subsidiary of MCI WorldCom) had been assigned 54 NPA/NXX codes that it  
5           had subsequently assigned to various exchanges that are outside the Portland,  
6           Maine local calling area. Brooks then assigned numbers from those codes to its  
7           customers who were physically located in Portland. The Maine Commission  
8           was trying to determine whether Brooks was entitled to retain the NPA/NXX  
9           codes used for the service. If the service was local, Brooks was entitled to the  
10          codes; if the service was interexchange, Brooks Fiber had to relinquish the  
11          codes. The Maine Commission concluded that the service was interexchange.  
12          Since Brooks did not have any customers at all in the rate centers where 45 of  
13          the codes were assigned, the Maine Commission ordered the Numbering Plan  
14          Administrator to reclaim those codes (Order at p. 29)

15  
16          Now, there is a potential misunderstanding that could arise when reading the  
17          Maine Order. There are several references to ISP in the Maine Order, but that  
18          is because Brooks Fiber had only given numbers in the NPA/NXX code to  
19          ISPs. Significantly, the Maine Order does not address the ISP reciprocal  
20          compensation issue that this Commission has previously addressed. Neither  
21          the Maine Commission findings on the nature of this traffic nor BellSouth's  
22          position on this issue depend on whether the number is given to an ISP. The  
23          same findings and the same position apply regardless of the type of customer  
24          who has been given the number. It is just a fact in the Maine case that Brooks

1 Fiber had only given numbers to ISPs; therefore, there are references to ISPs in  
2 the Order.

3  
4 Q. WHAT DO THE ILLINOIS AND TEXAS COMMISSIONS' ORDERS SAY  
5 ABOUT THIS ISSUE?

6  
7 A In the Illinois Commerce Commission's Order in Docket 00-0332, Level 3  
8 Communications, Inc. Arbitration case, dated August 30, 2000, the  
9 Commission states at pages 9-10:

10  
11 *(b) The reciprocal compensation portion of the issue is*  
12 *straightforward. The FCC's regulations require reciprocal*  
13 *compensation only for the transport and termination of "local*  
14 *telecommunications traffic," which is defined as traffic "that originates*  
15 *and terminates within a local service area established by the state*  
16 *commission." 47 C.F.R. 51.701 (a)-(b)(1). FX traffic does not*  
17 *originate and terminate in the same local rate center and therefore, as*  
18 *a matter of law, cannot be subject to reciprocal compensation.*  
19 *Whether designated as "virtual NXX," which Level 3 uses, or as "FX,"*  
20 *which AI [Ameritech Illinois] prefers, this service works a fiction. It*  
21 *allows a caller to believe that he is making a local call and to be billed*  
22 *accordingly when, in reality, such call is traveling to a distant point*  
23 *that, absent this device, would make the call a toll call. The virtual*  
24 *NXX or FX call is local only from the caller's perspective and not from*  
25 *any other standpoint. There is no reasonable basis to suggest that calls*



1                   under this fiction can or should be considered local for purposes of  
2                   imposing reciprocal compensation. Moreover, we are not alone in this  
3                   view. The Public Utility Commission of Texas recently determined  
4                   that, to the extent that FX-type calls do not terminate within a  
5                   mandatory local calling area, they are not eligible for reciprocal  
6                   compensation. See, Docket No. 21982, July 13, 2000. On the basis of  
7                   the record, the agreement should make clear that if an NXX or FX call  
8                   would not be local but for this designation, no reciprocal compensation  
9                   attaches. [Emphasis added.]

10  
11    Q.       HOW DOES BELLSOUTH'S POSITION COMPARE TO THE MAINE,  
12              ILLINOIS AND TEXAS COMMISSIONS' ORDERS?

13  
14    A.       BellSouth's position is completely consistent with these three orders. Most  
15              importantly, the Maine Commission found that the service was interexchange.  
16              (Order at pps. 4, 8-12, 18). The Maine Commission concluded that this service  
17              and FX service have some parallels but the closest parallel is 800 service.  
18              (Order at pps. 11-12) The Maine Commission found that Brooks is not  
19              attempting to define its local calling area with this service. (Order at p 14)  
20              Finally, the Maine Commission concluded that this service has no impact on  
21              the degree of local competition. (Order at p. 13) The Illinois and Texas  
22              Commissions' Orders went a step further, specifying that Virtual FX or NXX  
23              calls which do not terminate within a mandatory local calling area are not  
24              eligible for reciprocal compensation. Again, none of these findings depend on  
25              whether the number is given to an ISP or another type of customer.

1

2 Q. PLEASE COMPARE THE VIRTUAL NPA/NXX ADDRESSED IN THIS  
3 ISSUE WITH BELL SOUTH'S FOREIGN EXCHANGE ("FX SERVICE").

4

5 A. Although similar, these services are not exactly the same. In the case of the  
6 FX service, a customer dials a number that appears to be a local number. The  
7 call is transported to the customer's serving wire center. The switch looks at  
8 the number and, based on the translations for the number, it sends the call to  
9 the "foreign exchange" where the customer being called resides. BellSouth's  
10 costs are recovered from BellSouth's customers; the originating customer pays  
11 for the local portion of the call, and the FX customer pays BellSouth to  
12 terminate the call in a different local calling area.

13

14 Q. ADELPHIA'S PETITION, AT PARAGRAPH 22, STATES THAT THE  
15 COSTS INCURRED BY BELL SOUTH IN ORIGINATING A "LOCALLY-  
16 DIALED" CALL FROM ITS CUSTOMERS DO NOT CHANGE BASED ON  
17 THE LOCATION OF ADELPHIA'S CUSTOMERS. PLEASE COMMENT.

18

19 A. Adelphia is missing the point. Reciprocal compensation is to cover the cost of  
20 transporting and terminating local calls. It is the terminating carrier that incurs  
21 these costs, and, therefore, collects the money. Second, the end points of a call  
22 determine whether or not a call is local. Clearly, when a BellSouth customer  
23 calls an Adelphia customer in a different local calling area, that is not a local  
24 call, regardless of where Adelphia's switch is located, and what cost BellSouth

1 incurs to get the call to that switch. Adelphia is not entitled to reciprocal  
2 compensation for these calls.

3

4 Q. HOW IS ADELPHIA'S DEPICTION OF THIS ISSUE DIFFERENT THAN  
5 BELLSOUTH'S?

6

7 A. Adelphia depicts BellSouth's position on this issue as a desire to restrict  
8 Adelphia's assignment and use of telephone numbers. That is simply not the  
9 case. BellSouth's position on this issue would allow Adelphia to give  
10 telephone numbers from a NPA/NXX assigned to Frankfort, for example, to a  
11 customer in Louisville or even in New York. BellSouth simply believes that  
12 when Adelphia makes such an assignment, BellSouth should not be required to  
13 pay reciprocal compensation on calls from Frankfort subscribers to these  
14 numbers. BellSouth also believes that Adelphia should provide BellSouth with  
15 the information necessary for BellSouth to recognize that calls from Frankfort  
16 to these numbers are not local calls.

17

18 Q. HOW DOES THE RESOLUTION OF THIS ISSUE IMPACT THE DEGREE  
19 OF LOCAL COMPETITION IN KENTUCKY?

20

21 A. It does not. The dispute involved in this issue has nothing to do with local  
22 competition. Using the Frankfort example, the service described in this issue  
23 does not create any local service, let alone any local service competition, in  
24 Frankfort. Local service competition is only created where Adelphia offers  
25 local service to its own customers. The service at issue here is offered to

1           BellSouth's local service customers in Frankfort, regardless of whether  
2           Adelphia has any local service customers physically located in Frankfort.  
3           When Adelphia allows a BellSouth customer in Frankfort to make a toll free  
4           call to one of its true 800 service numbers, no local competition is created in  
5           Frankfort. Likewise, when Adelphia assigns a number out of the 502/336 code  
6           to one of its customers in Louisville, no local competition is created in  
7           Frankfort (where the 502/336 code is assigned). In this case, Adelphia has no  
8           contact or business relationship with the BellSouth customers for use of this  
9           service. These customers remain, in fact, BellSouth's local service customers.  
10          There is nothing that Adelphia is providing in this case that even resembles  
11          local service. Yet, Adelphia claims that it should be paid reciprocal  
12          compensation for providing this service.

13  
14    Q.     DOES BELLSOUTH'S POSITION IMPACT ADELPHIA'S ABILITY TO  
15            SERVE ISPs?

16  
17    A.     No, BellSouth's position has no impact on Adelphia's ability to serve ISPs.  
18            Adelphia is free to target and select customers, and assign telephone numbers  
19            as it chooses. BellSouth is only saying calls that originate and terminate with  
20            customers in different local calling areas are not local and, therefore, are not  
21            subject to reciprocal compensation.

22  
23    Q.     DOES REFERRING TO A CUSTOMER'S PHYSICAL LOCATION GIVE  
24            BELLSOUTH THE ABILITY TO RE-CLASSIFY LOCAL CALLS AS TOLL  
25            CALLS?

1

2 A. No. As I explained above, Adelphia is the party attempting to reclassify the  
3 nature of the call, from toll to local.

4

5 Q. IS ADELPHIA'S POSITION ON THIS ISSUE CONSISTENT WITH THE  
6 ARGUMENTS THAT CLECS HAVE USED AS RATIONALE THAT ISP-  
7 BOUND CALLS ARE LOCAL?

8

9 A. No. The argument by CLECs that ISP-bound calls are local has been that there  
10 are really two calls. CLECs have argued that the first call terminates at the ISP  
11 server, which was portrayed as a local call. The second call then leaves the  
12 ISP server in the local calling area and goes to the Internet. While BellSouth  
13 still strongly disagrees with this argument, it is important to note that in the  
14 context of this issue, the "first" call as described by the CLECs is not even a  
15 local call, and by their own argument, would not be entitled to reciprocal  
16 compensation.

17

18 Q. IN PARAGRAPH 20 OF THE PETITION, ADELPHIA SUGGESTS THAT  
19 COSTS ASSOCIATED WITH ACCESSING THE INTERNET WOULD  
20 INCREASE IF BELL SOUTH RESTRICTS CLECS' USE OF NXX CODES.  
21 PLEASE COMMENT.

22

23 A. First let me reiterate, BellSouth is not attempting to restrict Adelphia's use of  
24 NXX codes. Second, as I have already stated, reciprocal compensation is  
25 designed to compensate a carrier for transporting and terminating a local call.

1 Long distance calls have different compensation mechanisms that apply and  
2 would continue to apply in the cases we have been discussing. When Adelphia  
3 assigns telephone numbers to a customer in a way that allows other parties to  
4 make a long distance call to that customer but not be charged for a long  
5 distance call, Adelphia may either recover the costs associated with such an  
6 arrangement from its customer who is benefiting from the arrangement, or  
7 Adelphia itself may absorb those costs. Adelphia, however, cannot recover  
8 those costs from BellSouth in the form of reciprocal compensation.

9  
10 Q. WHAT IS BELL SOUTH REQUESTING OF THIS COMMISSION?

11  
12 A. BellSouth is asking the Commission to follow the lead of the Commission  
13 rulings described above. BellSouth is not asking the Commission to restrict  
14 Adelphia's ability to allocate numbers out of its assigned NPA/NXX codes in  
15 whatever manner it sees fit. BellSouth requests the Commission to determine  
16 that if Adelphia assigns telephone numbers to customers that are physically  
17 located in a different local calling area than the local calling where the  
18 NPA/NXX is assigned, calls originated by BellSouth end users in the local  
19 calling area where the NPA/NXX is assigned to those numbers are not local  
20 calls. Such calls are not considered local traffic under the agreement and,  
21 therefore, no reciprocal compensation should apply. Furthermore, this  
22 Commission should find that if Adelphia assigns NPA/NXX numbers outside  
23 the assigned local calling area, Adelphia must provide the necessary  
24 information to BellSouth so that BellSouth can rate the calls appropriately.

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***Issue 3: (Attachment 3, Section 6.8)***

***Should Internet Protocol Telephony be excluded from local traffic subject to reciprocal compensation?***

Q. WHAT IS BELL SOUTH’S POSITION ON THIS ISSUE?

A. It is BellSouth’s understanding that this issue has been resolved in Kentucky. If this is not the case, BellSouth reserves the right to file additional testimony on this issue.

***Issue 4: (Attachment 3, Section 6.1.1)***

***Should the parties be required to pay reciprocal compensation on traffic originating from or terminating to an enhanced service provider, including an Internet Service Provider (“ISP”)?***

Q. WHAT IS BELL SOUTH’S POSITION ON THIS ISSUE?

A. It is BellSouth’s understanding that this issue has been resolved in Kentucky. If this is not the case, BellSouth reserves the right to file additional testimony on this issue.

***Issue 5: (Attachment 3, Section 6.1.5)***

***Is BellSouth required to pay tandem charges when Adelphia terminates BellSouth local traffic using a switch serving an area comparable to a BellSouth tandem?***

1

2 Q. WHAT IS BELL SOUTH'S POSITION ON THIS ISSUE?

3

4 A. It is BellSouth's understanding that this issue has been resolved in Kentucky.  
5 If this is not the case, BellSouth reserves the right to file additional testimony  
6 on this issue.

7

8 *Issue 6: (Attachment 3, Sections 1.5, 1.6 and 1.7)*

9 *How should the parties define the Points of Interface for their networks?*

10

11 Q. WHAT IS BELL SOUTH'S POSITION ON THIS ISSUE?

12

13 A. It is BellSouth's understanding that this issue has been resolved in Kentucky.  
14 If this is not the case, BellSouth reserves the right to file additional testimony  
15 on this issue.

16

17 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

18

19 A. Yes.

20

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